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ADVANCED
BUSINESS CORRESPONDENCE

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ADVANCED BUSINESS CORRESPONDENCE

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INTRODUCTION

WITHIN recent years the subject of business correspondence has found a place in the curriculum of most of our large universities. To the collegiate schools of business, of course, it is practically indispensable; their graduates could hardly be sent out without a mastery of this tool of modern business. In such institutions as do not have a separate school of business, the college of arts or the school of engineering has in some cases established a course in business correspondence. Recognition here will doubtless increase as educators become more responsive to the changed conditions whereby so large a proportion of graduates ultimately go into some form of business instead of the "learned" professions. Already they have begun to realize that there is no valid reason why the teaching of English composition should be limited to forms that only five per cent of the graduates will ever have occasion to use, and should neglect business correspondence, a form that ninety-five per cent are certain to use. Already they have begun to heed the cry of the business executive, "Give us men who can write good letters."

The principles of English composition, as a matter of fact, can be taught in business correspondence as readily as in the fields of literature. In some

ways they can be better taught in business correspondence, for students have a more lively interest in their work when the end to be accomplished is clearly in sight and is of self-evident usefulness. Moreover, there is no better way to get a bird's-eye view of the whole field of business, its operations and its ideals, than through the study and practice of business letter writing.

One of the chief obstacles to the extension of the study has been the dearth of suitable textbooks. Most of the books on letter writing that have been available were designed either for the man in actual business or for the students in high schools and commercial colleges. In books of the former class the tendency is to lay undue stress upon methods, with comparative neglect of basic principles. In the high-school text it is necessary to give much space to matters of technic, such as grammar, sentence structure, and diction. Both types of books are valuable; neither is perfectly adapted to the needs of university students.

Advanced Business Correspondence was designed to fill this need. It is intended primarily for classes of university grade. It presupposes such familiarity with the requirements of good English technic as should be obtained from a four-year high-school course or its equivalent. It does not presuppose any extensive knowledge of business transactions, such as might be obtained from a few years of actual experience in a business office. It attempts to explain and illustrate the fundamental principles that govern all kinds of business letters, and to give practical methods of handling the more typical

situations. In a word, it tries to show attainable ideals and sound strategy in business correspondence.

All this has been done with the needs of the university student continually in view. The result, however, should be of considerable value to the business man. In the dozen years or more during which the authors have been teaching the subject of business correspondence and gathering material for this text, they have been fortunate enough to have access to the correspondence of many of the foremost business houses in the country. They have observed the wide differences in quality between letters of different companies, and even between letters of different departments or individuals in the same company. They have had a share in the work of standardizing and improving the correspondence of several leading businesses. They feel justified, therefore, in believing that any business man may read *Advanced Business Correspondence* with the certainty that it represents not impractical theory, but proved experience.

Instruction in matters of English technic receives little space in this volume. Even experienced writers, however, need occasionally to review the small points of sentence structure and diction. Those who feel this need—whether business men or students—may find what they seek in the *Handbook of Business English* by the authors of *Advanced Business Correspondence.*

Most of the letters used for illustrative purposes here were taken from the files of business houses, and are changed only in minor respects. Names of persons and places and in some cases commodities

are changed in order to conceal identities. If in coining what is supposed to be a fictitious name the authors have hit upon the name of a real person, it is accidental. (This rule, of course, does not apply to sales letters, which are generally reproduced without change.) The letters reproduced here, moreover, are offered as illustrations of specific principles and methods and are not invariably flawless in all respects. In no case should they be taken as models for imitation.

The authors acknowledge their indebtedness to the many business houses that have furnished them with valuable material. It is impossible to give a complete list, but among those especially entitled to gratitude are the following: Business Training Corporation, New York; Goodyear Tire and Rubber Company, Akron, Ohio; Guaranty Trust Company, New York; R. H. Ingersoll and Bro., New York; Irving National Bank, New York; Locomobile Company, Bridgeport, Connecticut; National City Bank of New York; Norton Company, Worcester, Massachusetts; David Williams Company, New York; Western Union Telegraph Company. Thanks are due also to many personal friends, notably the members of the faculty of the Business English Department of New York University and many former students who have brought back the results of their training in the form of successful letters.

G. B. H.
E. J. K.

New York, *August, 1921.*

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CHAPTER I

Every Letter a Selling Letter

Business Letter Writing the Art of English Impression

Letter writing is an art, and not less an art because it is practiced universally. As in other arts that are universal, the average level of production is mediocre. Things that everyone does are done badly by nearly everyone. Most people walk badly and talk badly. They decorate their houses and themselves without any degree of wisdom. They write weak and ineffective letters, and are satisfied so long as these are no worse than those they receive. Excellence in letter writing is worth achieving, however, and all the more so because excellence is rare enough to be conspicuous.

In many fields of art it is possible to delegate the work to specialists. The bulk of our business letter writing, however, we must do for ourselves. Any man in business who lacks the ability to write a good letter is sadly handicapped; for letters in these

days of long-range business are the chief means of carrying on transactions with those whom we cannot meet personally. This classification includes nine tenths of the customers of any business that aspires to more than a local influence. Even a great national bank comes in contact with its customers ten times as often by letters as by face-to-face conversation.

One of the chief reasons for the general mediocrity of business letters is that the average writer has never paused to consider the nature and requirements of the art, if indeed he has recognized it as an art at all. He has therefore contented himself with an inadequate standard of measurement. He may have hastily assumed that writing letters is about the same as writing essays or stories or anything else, and that all he needs to do is to express his ideas with clearness, force, and elegance. Or he may have discovered a different atmosphere in the business office and have jumped to the conclusion that business letters involve the use of a special jargon of routine phrases—an entirely different language from anything else in the world.

The young college graduate who tries to enrich his epistolary communications by a florid, rhetorical style that would be suitable only in a platform forensic presents a sad spectacle of misdirected energy. Sadder still, perhaps, is the case of the man who discards all he has ever learned about English composition, and drops cheerfully into the mechanical formula, "Yours of the 8th inst. received and in reply beg to state." Both of these men have

failed to grasp the philosophy of the business letter and therefore cannot produce a good letter except by some happy accident. The worst faults of business letters can be avoided by the man who has a clear idea of their nature and purposes.

A business letter is a practical means of handling by words on paper the transactions that cannot conveniently or economically be handled by word of mouth. It is a substitute for a personal representative, and its value, like that of the personal representative, is measured by its ability to earn profits in dollars and cents. These profits may come immediately in the form of an order, an inquiry, or a payment. They may come indirectly in the form of good will—but good will is the intention to respond and sooner or later is translated into cash returns.

As we shall see later, the ideal business letter secures both immediate response and good will. In other words, it makes the reader do gladly what the writer wants him to do. Letters like this are profitable no matter what they cost, but naturally the smaller the cost the greater the profit. A business letter should bring a profitable response with the least possible expenditure of time, energy, and money.

If we understand that the value of our letters depends upon their power to secure profitable response, we shall be able to build our letter in a way that will achieve this result. We shall also avoid taking a wrong or inadequate standard of judgment for our letters, for we shall realize that the letter which does not influence the reader's responsive

action is not a good letter, whatever its merits may be from any other critical standpoint. Whether the reader acts or not depends upon the incentive the letter gives him, the impression it makes upon him. It is not enough that it should express the writer's ideas and feelings accurately and clearly. It must also impress them upon the reader.

How Business Letters Differ from Literary Compositions

The purpose of writing for impression rather than expression is the most essential distinction between business English and literature. In literature the reader's action is not ordinarily required. It is enough if he be entertained and instructed. This may involve impression, to be sure, but impression need not be the motive governing the composition. Great literature has been produced by writers who wrote for self-expression and gave little thought to their audience. The modern tendency in literature has been to cater more to the audience, but those who have sought too obviously to please their public have frequently been accused of "commercializing" their art.

Perhaps commercialism is a just reproach of the writer of literature, but the writer of business letters must frankly recognize that his art is commercial and utilitarian. "Art for art's sake" has no place among his ideals. "Art for mart's sake," as some one has phrased it, embodies his creed. His ideas and style must be governed by the reader's interests and point of view.

This is not to imply that good business letters may

not have merit from a literary standpoint. They may be, and often should be, either instructive or entertaining, or both, but only as a means to an end. The end always is action. Business letters have their closest kinship in literature to persuasion, and persuasion commercialized is called salesmanship.

The writer of business letters must therefore know how the human mind behaves. He must know what sort of appeals induce action. He need not have studied the theory of psychology, but he must be able to apply the principles of psychology in practice. If he can gain this knowledge through his experience, well and good, but this always requires time and not every writer has the opportunity to gain it in this way. Everyone, however, can learn and apply the principles that have been discovered through the experience of others. Some of the most important of these principles will be explained and illustrated in this chapter and in the following chapters.

The Essentials of the Message

First of all, however, it is necessary to understand clearly just what a *message* is. A business letter is only one of the many kinds of messages whereby one person communicates his thoughts and feelings to another in order to influence that other person. Whatever the kind of message, it has three essential elements—the sender, the receiver, and the medium of communication, which we may call the *code*.

Codes are of many kinds. They may be composed of figures, of signs and symbols, or of words. Primi-

tive men used pictures. Modern man has devised innumerable ways, many of which are of limited use and understood by but a few. The football quarterback barks out a string of numbers, meaningless to the spectators and to the opposing team, but evidently intelligible to his own men; for when the ball is passed, each of them springs to his appointed place and acts as the field-general directs. The curb brokers of the old-time curb market on Broad Street watched the hand-waving of their associates at the windows above and bought and sold millions of shares of stock according to the orders they received in this code. The Boy Scouts' flag code, the deaf-and-dumb alphabet, the Braille point system for the blind—these are but a few of the many codes by which messages are given and received to-day. Even the placing of the stamp on a letter has been used by callow lovemakers to signify a variety of feelings. This particular kind of code is not looked upon with favor by the post-office authorities, because it interferes with the speedy handling of the mail. Fortunately, this and most of the other flirtation codes are regarded as too Victorian for modern use and are no longer in vogue.

The point to be kept in mind is that no code is of value unless it is perfectly understood by both sender and receiver. They have to be in complete agreement upon the meaning, or no message can be received. And where no message can be received, no message exists. No message existed in the elaborate cipher writings of Roger Bacon for many centuries after these were written. Lately a scientist

and scholar has devoted years of his life to mastering Bacon's elaborate cipher code so that he has been able to give the world the meaning that was hidden there. There has been talk of the possibility of sending a message to Mars. Even if a way is discovered to send light rays powerful enough to reach that distant planet, the task of sending a message will still have the almost hopeless obstacle that there is no way whereby our people and theirs may agree upon a code. Morse's telegraph instrument was of no practical value to the world until Morse's code was invented and at least two persons had mastered it.

The only difference between these codes and words is that words are a more universal medium of communicating thought. Even words are not absolutely universal, because there are hundreds of different kinds of languages, all of which are unintelligible except to the initiates. We realize that language is a code when we try to read a book in Sanskrit, Scandinavian, or any other foreign language we have not mastered. The old saying, "It is all Greek to me," suggests that we cannot receive the message because we do not understand the code. The code of the English language has changed through the past centuries, so that we need interpreters to read the messages of Chaucer, Spencer, Browning, or Carlyle.

Present-day English, likewise, is composed of many codes. We need look no farther than our daily newspapers to find examples of them. Compare, for example, the following paragraphs:

Hofmann opened with a jolt to deep short and beat McClellan's throw to Sheely. Shawkey sacrificed him to second and he went to the far corner on Roth's infield out. McClellan's heave after scooping Peck's bounder was erratic and Sheely couldn't get it out of the dirt in time. Peck was credited with a single on the episode and Hofmann crossed the plate. Ruth raised a sky-cleaving pop fly, which McClellan misjudged, with the result that it fell unimpeded to the turf. The Babe found himself credited with a wholly unexpected two-bagger, while Peck paused on third. Pipp got a scratchy sort of one-base hit, owing to fuzzy handling of the sphere by Mulligan, and Peck weighed in at the plate. Schalk tossed out Meusel on the latter's little dribbler.

Action of the wheat market early was in accord with the news, and a bulge of 6¼ @ 7¼ cents followed a small break. Early reports of 2,000,000 bushels of wheat having been taken by Italy and the United Kingdom, with a better milling demand, an advance of 1 @ 2 cents in premiums and further black rust reports from South Dakota and Southern Minnesota started local traders who were short to cover freely above $1.34 for July. However, houses with Eastern connections started to sell in large volume, caught the pit element long, and precipitated a decline of 8 cents from the high point, with support lacking on the way down.

Both of these paragraphs are written in English, but to readers who have not taken the trouble to master the codes they might as well be in Greek.

The Golden Rule of Adaptation to the Reader

Now we come to a great point of distinction between business English and literary composition. In the case of literature, the writer uses his own code and the reader learns it—or in other words, adjusts himself to the writer. Unless he does this he cannot receive the message, and so far as he is concerned, no message exists. The task may not often be as difficult as that of translating Roger

Bacon's cipher manuscripts, or an inscription in Egyptian hieroglyphics, but it always takes some time and effort.

The reader will willingly use some energy to get the messages of literature which were written for his instruction or entertainment. It may be mentioned in passing that even in such cases he will not give an excessive amount; hence, the average man does not read the classics of our own or any other literature as frequently as he might. The novels and plays which score the greatest successes to-day are frequently those which take into account the tired business man's unwillingness to give much energy to the task of being amused. Even so, a reader can be expected to go a little out of his way to receive a literary message and he can be depended upon to learn a certain amount of technical lingo when he is seeking instruction.

With business messages the case is different. Since these exist not primarily for his own profit, but for that of the writer, the reader will not exert himself to learn the writer's language or catch his ideas. He will not take the trouble to adjust himself to the writer. If any adjusting is to be done, the writer must do it.

This matter of adjustment goes far deeper than the language. It includes the ideas or substance as well as the style and tone. The paragraphs quoted above from the sporting page and the financial page of a newspaper might be more intelligible if they were translated into the words of ordinary conversation, but they would not be completely understood by anyone who had not some knowledge

of the game of baseball or the workings of the wheat market. It is necessary that not only the words used in a business English message, but the ideas which the words symbolize, should be within the reader's experience. This is really the most essential application of the Golden Rule of Adaptation to the Reader.

The Reader's Viewpoint and Language

Every business transaction has two sides. When one party is buying, the other is selling; when one is collecting money, the other is expending it; when one is getting a position, the other is hiring an employee. The writer naturally sees his own side of the transaction, but he must learn to look at it from the reader's viewpoint if he hopes to get the reader to act as he wishes.

Suppose, for instance, you received a letter beginning, "We wish to announce that we have recently perfected and are placing on the market a new and valuable device for keeping the windshield of an automobile clear in rainy weather. It makes it possible for the driver to have unhampered vision and thus to avoid accidents."

Such a letter would obviously not appeal to a reader unless he were so much interested in the subject that he was really searching for just such an appliance. Certainly he has no particular interest in knowing what the manufacturer has done and is doing, what his hopes and wishes are. His interest is in his own car and in the comfort and safety of driving it. The letter should therefore be written from the standpoint of the buyer who wants to know

what the article will do for him. The following will illustrate:

If you have ever driven your car in a rain storm, you know how annoying it is—and dangerous, too—to have your wind-shield clouded with water. How many times have you narrowly avoided accidents under these conditions. With the Simplicity Cleaner attached to your car, all you need to do is to turn a button in front of you and instantly every drop of water in your field of vision is swept from your wind-shield. The glass is left clear and clean.

What is true of sales letters is equally true of all other kinds of business letters. The first thing the writer must do is to form the habit of looking at the subject of his message from the reader's viewpoint. He must get what is called the "You" attitude.

The writer must also consider the character, environment, and interests of his reader. He must not make the mistake of assuming that every reader is a business man like himself, with an office and a flat-top desk, and his mail delivered to him in a wire basket every morning. Business letters are not written entirely by business men. Still less are they always to business men. The reader may be a doctor who glances over his mail at the breakfast table. He may be a farmer whose mail receives leisurely attention after his chores are done. He may be a garage keeper who gives attention to his letters at his irregular convenience. *He* may even be a society woman or a busy housewife. The same letter will not do for all readers, even though they may all have the buyer's attitude toward the transaction. As we shall see later, the collection letter will not handle the old customer and the new customer in the same way.

It is not always possible for the writer to know the situation of his reader. The best results are obtained, however, when he has secured some intimate acquaintance with the people to whom he writes or has been in their position himself. Numerous instances could be cited of printers who wrote effective letters to other printers, but failed when they attempted to sell real estate to mechanics; of mail-order men who came from the farm and wrote effective letters to farmers, but were less successful in selling bonds to investors. It was not simply because they did not know the proposition, but because they did not know their men. If we could only travel with our letters and see them opened and read, the experience would be a liberal education—more valuable, perhaps, than to sit at the elbow of an expert and hear him dictate.

It would require too much space at this point to show how the reader's character and interests affect the appeal, especially the sales appeal. We need always to remind ourselves, however, that this factor cannot be neglected in securing the right adaptation to the reader. It may also be mentioned that while it is a most important factor in other kinds of business English, such as advertising copy, it is less important there because among the thousands who see the advertisement there are practically certain to be some whose character and interests are such that they are favorably impressed by the message. The letter, however, is sent to one individual and if it fails to impress him favorably it fails utterly.

We may go a step farther and assert that even

the same man is not always the same. His mood changes according to conditions of his health, his pocketbook, and the previous impressions he has received. He is not the same man when prices are falling and profits decreasing that he was when business was booming. He is not the same man when he has complained of poor service and quality that he was when he sent his order. Some sales managers claim that he is a different man after luncheon Tuesday from what he was on blue Monday morning. While this is a fine distinction that does not always have practical usefulness for the letter-writer, it is desirable, wherever possible, to take into account the temporary mood of the reader and adapt the message accordingly.

Adaptation in Ideas

How is the principle of adaptation to the reader carried out practically? First of all, the ideas or substance of the letter must be composed of those things which will most readily be received. "Follow the line of least resistance" is an axiom of letter writing.

Since the subjects of letters are various, the details of this sort of adaptation may best be considered when we analyze the specific problems of the chief types of letters, such as credit letters, collection letters, and sales letters. Here, however, we may conveniently present one general principle which can be applied in every case. This principle is that in every transaction intended to benefit the writer, there is also something that is of benefit and service to the other party. The task is to find this and present it.

The following letter was received from a small business house:

August 15, 1920.

PACIFIC TELEGRAPH COMPANY,
SAN FRANCISCO, CAL.

GENTLEMEN:

On July 10, your office telephoned the following message to our office:

> Ship 50 bags of No. 3 Redwood by express.
> Stockton Novelty Co.

We requested that copy of the message be delivered to us and were told to call at the Oakland office for it.

Later a representative of your Company told us over the telephone that they could not deliver the telegrams that had been telephoned, but we could refuse to accept them by telephone and in this case they would be delivered. He also said we could get a copy by calling at the office.

We immediately wrote asking that the copy be mailed in the self-addressed stamped envelope which we inclosed. We did this because we needed the copy for our files, but did not feel we should be called upon to make a six-mile trip simply to get it when it is just as simple for your clerks to put it in our envelope and mail it. We have received no reply.

Now we want to know whether we are entitled to copies of telephoned telegrams when we request them and furnish an addressed postage-prepaid envelope for them, and if not, why not?

Very truly yours,

THE A. B. PETTY CO.
J. T. PETTY, Treasurer.

A clerk, who did not appreciate the importance of the service viewpoint, dictated the following reply for the signature of the manager:

August 16, 1920.

MR. J. T. PETTY, Treasurer,
THE A. B. PETTY CO.,
OAKLAND, CAL.

DEAR SIR:

Your letter of August 15 has been received and contents carefully noted.

We are surprised at your apparent dissatisfaction with our service, for we can assure you that you have had exactly the same consideration we give all our patrons, and few of them have ever requested extra favors that it is contrary to our policy to give. Occasionally someone wants confirmation copies of telephoned telegrams but usually when the facts are explained to them they see the unreasonableness of expecting both a telephoned and a delivered message. It involves little extra trouble to reduce the message to writing at the time it is telephoned, especially as we furnish blanks made for this express purpose.

We will furnish a confirmation copy of any particularly important telegram on request, but to supply such copies as a regular thing would mean an additional expense which would practically consume our small margin of profit since it would entail a stupendous amount of work for our clerical forces.

Trusting that we have now made the matter clear and that you will appreciate our position, we are

Very truly yours,

R. F. GOODHART,
Manager.

The manager looked over the letter and saw that it would have an unpleasant effect on the reader and would fail to accomplish its purpose. He therefore dictated another letter in place of it. In this he tried to explain the reasons for the company's action and do it in a way that would build good will. His letter follows:

August 16, 1920.

Mr. J. T. Petty, Treasurer,
The A. B. Petty Co.,
Oakland, Cal.

Dear Sir:

I am glad to have your letter of August 15, since it gives me an opportunity to explain our position in the matter of confirmation copies of telephoned telegrams.

Before I do this, however, let me assure you that I am having your telegram of July 10 looked up, and the copy will be mailed to you as soon as possible. We are always willing to furnish a copy of an occasional message without charge, and no doubt the promise of our representative was overlooked when your request was received in the Oakland office.

From the fact that it may be a day or two before you receive this copy you will infer that there is a certain amount of clerical work involved. That is one reason why we do not make a practice of supplying confirmation copies regularly. Another reason is that our service charges are only large enough to cover a single delivery of a message. The additional cost of sending confirmation copies regularly would necessitate an increase in rates, which, of course, we prefer to avoid.

Most of our patrons, as a matter of fact, do not want confirmation copies because they find it a simple matter to take down the telegram when it is being telephoned, and the duplication of the message is rather a nuisance to them than a convenience. We have special blanks for this purpose, which our Oakland office will gladly furnish to you upon application. If you will use these and have the messages handled in accordance with the suggestions in the inclosed pamphlet, I believe you will find there is no need of confirmation copies.

I trust you will try out these methods and see whether your needs are not met fully and satisfactorily.

Very truly yours,

R. F. Goodhart,
Manager.

This second letter is superior to the first in almost every respect, but the factor that is of interest to us here is its better adaptation of ideas. The writer has not contented himself with the statement that it was contrary to the company's policy to furnish confirmation copies; he shows why this policy is of benefit to the reader and to all the other customers.

Adaptation in Style

The second application of the principle of adaptation is to see that the message is written in the language and tone to which the reader is accustomed. It must be in his own code. In a large percentage of cases, this means that the language should be such as would be used in conversation with the reader. Some go so far as to say that the letter ought to sound like conversation. This is not literally true, because actual conversation is likely to be long-winded and tedious and to lack the compactness required for economizing attention in a letter. It is not so easy to read as to listen to.

It is true, however, that the letter ought to give much the same impression that would be given by a personal representative. It is true also that the language of our everyday talks is unconsciously adapted to our hearers. If, therefore, we take pains to exclude from our letter any words that we should not use in talking to that person, we shall be fairly certain to make ourselves understood.

Adaptation in language may go somewhat farther. Nearly every man has in his vocabulary at least a few words that are peculiar to his business and

surroundings. They may be a part of his trade lingo; they may be the survival from his earlier education. The use of such words in a letter to him constitutes the highest kind of adaptation in language. They are easy for him to understand and they create a bond of sympathy between him and the writer that tends to help toward a favorable impression.

The Service Element in Sales Letters

The service element in business letters is most clearly exemplified in the sales letter. Here the fact that the writer will profit by the reader's responsive action is self-evident. But the buyer must benefit by the purchase also. The day has passed when a trade of any sort—whether of goods for goods, or goods for money—can be a transaction in which one party gains and the other loses, or is "stuck," to use the Yankee phrase.

What is the benefit to the reader? What advantage will he derive? No one is prepared to write a good sales letter until he can answer this question satisfactorily.

To find the answer, one needs to analyze his market. If he can do this by inquiring into the motives that have influenced his present buyers, or that generally influence purchases of this sort, this is the best way. When this is impracticable, he may sometimes rely upon self-analysis.

In any case, he must not content himself with surface motives. A fire-extinguisher puts out a fire; a wind-shield cleaner cleans the wind-shield, and a phonograph produces music; but these are

not the real services that influence the purchase of these articles. Protection for the home and family; safety and comfort in driving; the joy of hearing good music at any time—these come nearer to the services that the buyer desires.

As stated here, the motives are somewhat abstract; in actual presentation in the sales letter they should be decidedly concrete. "Now you can hear Caruso and the other Metropolitan stars in your own home," would more definitely acquaint the reader with the service of the phonograph.

There are other services, of course, almost innumerable. The choice of the one to be used in any given case depends not only upon the buyer's character, interests, and mood, but also upon the respects in which our particular article gives greater service than its competitors and substitutes. Thus, our phonograph may give service for a longer time or at lower cost. It may be more convenient, more beautiful, or purer-toned. The point to remember, however, is that an article cannot be sold on the basis of a manufacturing superiority, but only upon the basis of greater service to the buyer.

It frequently happens that the article to be sold by letter is one the need for which has not been realized by prospective buyers. In such cases the task of presenting its service has to be preceded by some educational work. The reader must be shown that he really has a need which the article will supply. The phrase "creating a demand" is frequently used to describe this process. Strictly speaking, however, a demand cannot be created; it can only be awakened. Long before the automobile was in-

vented, people had a demand for quicker and more convenient means of transportation. The actual selling of automobiles was a simple matter after the manufacturers had made buyers realize this need and had shown them that it could be gratified.

On the other hand, it is practically hopeless to try to create a demand for something that gives no real or apparent service. A sales letter for a bootjack or a cocktail mixer would now have small chance of securing profitable response, no matter how well written it might be. A great array of other articles could be sold by letter only to certain selected groups of people, who by reason of their occupation, location, sex, wealth, education, or some other characteristic, are capable of using the service.

All this is but a preliminary to the statement that the keynote of all modern salesmanship is service. The writer of a sales letter must know what are the essential and distinctive services of his article and who can use them. He must then be sure that his letter presents these services impressively.

The failure of the sales letter is most frequently in its presentation. It lacks the service viewpoint. The following letter illustrates this fault:

ENDICOTT VALVE CO.
"Everything in Valves"

DEAR SIR:

We make valves, and nothing but valves. Our business has grown 100 per cent in the last few years and we are proud of it.

You hear the names of many makes of valves mentioned to-day, but we assure you that ours are the very best on the market.

Numberless customers have written to us and expressed their appreciation of our product. Of course, you know that a satisfied customer is the best sales argument.

We want your business.

Hoping to number you among our satisfied customers, we are

Yours very truly,

C. B. Endicott.

Here the manufacturer has allowed his self-interest to show in every word he wrote. Possibly his merchandise might render some service to the buyer; if so, the letter does it a real injustice, for no service of any sort is indicated.

If the manufacturer had shown how specialization in values enabled him to give lower prices, higher values, or quicker deliveries, the reader might have realized that it was to his advantage to give Endicott his business.

Now examine a letter that does have the service viewpoint.

Monarch Weather Strip Company
St. Louis, Mo.

Dear Sir:

Now, while the windows can be opened with least discomfort, insure your interior decorations against damage from the coming spring and summer rain storms.

You get this insurance when you have the doors and windows made weather-tight with Monarch Metal Weather Strips —They stop the leaks.

Don't be annoyed with leaky doors and windows, as you know they are the source of a great deal of unnecessary labor and expense.

Why not let us show you how to make your windows and doors leak-proof?

You will understand how this can be done when you read our book, "THE EVOLUTION OF THE WINDOW," which gives you a brief idea of what MONARCH STRIPS will do for you and where they are applied. Mail the inclosed card—it will bring our representative or our catalog—as you like.

Very truly yours,

MONARCH METAL STRIP COMPANY.

This is not a startlingly brilliant letter, but it is a safe and sane appeal written from the reader's viewpoint. It impresses him with the writer's ability and desire to render service. Moreover, it does not try to draw the reader's attention away from other matters to the subject of weather strips. Instead, it begins by referring to matters in which the reader is already interested, and tries to relate the subject of weather strips to them.

A good principle to follow, whenever possible, in writing the sales letter is this: *Put your service among the services in which the reader is already interested.*

The Service Element in Other Letters

The average business man is rarely, if ever, called upon to write a sales letter—at any rate, one that is avowedly a sales letter. In the large office, this work is left to specialists. In the small office the bulk of the correspondence is usually of other kinds. In some institutions sales letters are not used at all.

The principles that have just been outlined, however, are of value to every letter writer. For every letter is in a sense a sales letter. It may not be

attempting to sell a specific article or service, but in every case it does have to "sell" the good name of the house it represents. Like the personal representative, it always builds up or tears down good will.

Every experienced salesman knows the truth of this. He can cite instances of tactless letters from the credit department of his company that have driven away customers or aroused in them such ill-feeling that he had to work twice as hard to secure orders. He can tell of orders and inquiries that were so indifferently disposed of that the customer lost patience. He can tell of complaints that were answered so tartly that the grievance was aggravated. It would be excellent training for any letter writer to go on the road for a time and see the havoc wrought by ill-will building letters. Failing this, he might try his hand at writing actual sales letters. Either experience would soon make him realize that every letter has untold possibilities for helping or harming the writer and his company.

It may be remarked, in passing, that no individual or institution in the country—not even the government itself—is so strong and independent that it can afford to ignore the necessity of building good will. The friendship and respect of every person with whom it deals are needed to insure its stability and permanence. Great corporations nowadays are spending more and more time and money for the purpose of insuring that every letter that goes out on their letterheads shall build good will. And they consider the expenditure a real investment.

Every letter, moreover, is trying to sell the writer's

viewpoint and policy. It takes two parties to make a quarrel, just as it does to make a trade. Where a dispute or misunderstanding has to be handled by letter, the writer naturally wishes the reader to accept his view. This means presenting his view in a way that will make it acceptable—in other words, *selling* it.

When a business man is applying for credit, he naturally realizes that favorable action depends on his presenting a good case for himself. He does not for an instant suppose that the fact that he *needs* credit and *wants* it will have much influence. Still less does he suppose that the more vigorously he urges his need the better his chances will be. Obviously the argument that will help his cause is the advantage to the house that grants him credit.

Why then should a business man assume that when he refuses credit it is enough to say: "We must refuse. It would be contrary to our policy to allow you credit?" Here it is just as essential to sell the writer's policy by showing how it is to the reader's advantage. As will be shown in later chapters, it is quite possible to present a credit refusal in a way that will show real service to the reader.

In practically every other of the innumerable situations that are handled by mail, it is possible to present the writer's side of the case in a manner that shows its service to the reader. When we reflect that every sound business policy is based upon what is a just and reasonable method of dealing, it is easy to see that not only refusals of credit, but refusals

of any other sort of favor asked, may be *sold* by letter. It can only be done, however, by putting oneself in the reader's shoes and considering what the service is to him.

It may be objected that in some instances the reader is so obstinate or unreasonable that it is necessary to deal with him arbitrarily. If this is the case, it simply illustrates the principle of adapting the message to the reader's character. But such cases are extremely rare. The average man or woman is fair-minded, and will accept any just view, if he can be shown its justice. The fault, when they appear unreasonable, is more frequently that we have failed to present our case in the right way. It is always safe to assume that the reader is as intelligent and honest as ourselves, and to deal with him as an equal.

PROBLEMS

1. Assume that you have received a letter from a college graduate of the class of 1906 who has been abroad ever since his graduation. He inquires what the game of football is like to-day. Write an explanation of the modern game in a way that he can understand.
2. Assume that a freshman of splendid physique has been asked to go out for the football team, and says he would gladly do so if he could get his guardian's permission. She is a maiden lady, sixty years old, who has never seen a game of football, but considers it in the same class with prize fighting. The freshman thinks that a letter from some one who is familiar with the game might be helpful in securing her consent. Write the letter.
3. Assume that you are assisting with the correspondence of the Dean's or Secretary's office. You are to answer the following letter:

"I am finishing my high school course next June and hope to go to college if I can pay my own expenses. I should like to know what advantages are offered at your institution.

"Very truly yours,
RICHARD PECK."

4. You are sales manager for the Zellik Cutlery Company. You have perfected a steel that will not stain or rust, which you use for blades. The handles of the knife are of aluminum, cast on the blade, instead of being fastened by rivets. The knife is all one piece. It is made in various sizes and styles, such as kitchen knives, fruit knives, etc. Write a list of the *service* features of such a knife.
5. Write a description of the knife that will bring out its advantages to the housewife.
6. The following passage indicates the manner in which a certain question of discounts has been handled:

"We cannot allow you a jobber's discount simply because you maintain three stores. It would be unfair to our other dealers to give you an advantage in prices, especially in view of the fact that some dealers buy more for a single store than you do for all three. We do not allow quantity discounts, because this may lead to overstocking, and hence customers are not sure of getting only fresh goods."

Rewrite the statement of policy in a manner that will bring out the advantages to the reader.

CHAPTER II

The Essential Qualities of a Letter

Two Kinds of Mental Impressions

The impression made upon the reader's mind by a business letter—or by any one sentence or word of it, for that matter—is not single and invariable. It is usually a group of complex impressions that can be roughly divided into two classes—intellectual and emotional. The reader rarely stops to analyze them, but if he did he would probably find their precise nature, in any given case, by answering these two questions: Do I understand it? How does it make me feel? The writer should forestall these questions by delivering his message so that it will be understood quickly and surely and so that it will be liked.

The second requirement is as important as the first and is far more often neglected. Possibly men ought to be able to consider a business question with a purely intellectual and dispassionate attitude. The fact is that few men, even business men, can do anything of the sort. Their emotions influence—and sometimes almost govern—their judgment. Consequently, their actions are determined quite as much by the heart as by the head. They act as they *want* to act. Their prejudices frequently prevent them from doing what they know is wise. It is not uncommon to hear a man say, "It goes

against the grain to do this." His comment simply indicates that while his judgment has forced him to a certain course of action, his emotions were against it. The writer of a business letter may be able to persuade his reader to act as he wishes, even though it goes against the grain, but it is far wiser to have the reader respond not only intellectually, but wholeheartedly.

Even the clearness of meaning in a letter is influenced by its emotional effect. We understand most easily the things we wish to understand. The experienced salesman cultivates the friendly feeling of his customers, not only because it removes hostility, but also because it makes them more receptive to his arguments. When a man is irritated or annoyed, he is not capable of clear thinking, much less of wise action. It is absolutely essential, therefore, that the business letter should never rub the reader the wrong way.

Fortunately, the emotional impression may be positive as well as negative. A letter that merely avoids giving offense is at best a cold affair, unlikely to awaken a response. Letters that people enjoy reading and that make a forceful impression upon them contain something more than a clear-cut presentation of facts. They have emotional qualities as well that make reading a pleasure instead of a duty. What these emotional qualities are and how they may be secured must be left for later consideration.

Making the Letter Easier to Read

The object of making a letter understandable and likable should always be kept before us as an

ideal. To make the ideal a practical reality, we shall need to analyze in more detail the qualities that contribute to this result.

First of all, the business letter must be easy to read. A man has only a certain amount of time and energy to give to his mail. Whatever amount is required for the physical act of reading is just that much less available for comprehension and response. Letters that are hard to read are either thrown into the waste-paper basket or laid aside for future consideration, or, if they must be attended to, are disposed of in any way that comes handy. People fall asleep over books, especially textbooks, that are hard reading. On the other hand, they read promptly and cheerfully the things that are easy to read.

The importance of this principle may be seen by referring to the advertising pages of any publication, where the typographer, artist, and copywriter have all done their utmost to make the message attractive to the eye and easy to read. Frequently the reading pages of the publication suffer by comparison, though in some cases the publishers have profited by the example of their advertisers and have taken pains to make their editorials and news matter as easy reading as possible. (It may be remarked, parenthetically, that some publications that have retained their formidable style of typography and of composition claim this is an advantage to the advertiser, inasmuch as it enables him to make his announcement so much more attractive than the editorial columns.)

In the letter, likewise, the physical make-up must

be such as to insure easy reading. The task is not difficult here. All that is necessary is to use the form that is conventional and correct and to avoid novelties and departures from accepted usage. Plain white paper, eight and a half by eleven inches, with an unobtrusive letterhead containing only the most essential information, is by all odds safest. The typing should be clean and neat. All the details of mechanical make-up should conform to the usage of leading business houses. The margins should be ample, and the paragraphs separated by a double amount of white space. The important thing is to see that nothing in the make-up of the letter can for a moment distract the reader's attention from the message. Writers who are in doubt about the correct form of the letter or any part of it will do well to familiarize themselves with the rules in Appendix A of this book.

Correctness in the style in which the letter is written is equally important. The words, spelling, grammar, punctuation — all these details must be in conformity with established usage. Usage, after all, merely indicates the code that is most nearly universal for conveying ideas. The moment we use an incorrect word we run the risk of taking the letter out of the reader's accustomed code and to that extent at least make the letter harder to read.

This explains why innovations in language, such as simplified spelling, however desirable they might logically seem to be, have never gained much headway with business men. They have discovered that anything new in the code by which people commonly receive messages, requires a little extra mental effort

for comprehension. A letter wholly in simplified spelling is slow, hard reading for the average person. A letter full of slang terms is not easy reading even to those who are accustomed to hearing slang, because their eyes are not accustomed to the code, though their ears may be. The only safe way to insure that the letter shall be easy reading is to see that it is correct in form and in language.

The following example will illustrate the danger of departing from the conventional "old-style" spelling:

GENTLEMEN:

Wil you kindli inform mee if you hav an opening for an expert business correspondent?

For the past six yeerz or mor I have bin employd az assistant too the general manager uv a smal manufacturing concern. Mi job haz bin too dictate at timez too stenografers direct and at timez too dictafone. Recentli I resignd too devote mi time too literari pursuitz.

Du too to war I find mi opportuniteez somewhat limited and am forst too consider work elsewhere too suppli my needz.

Any advice as too how too accomplish the desired ends will be highli appreciated by

Yerz trooli,

Correctness, also, has its emotional side. Incorrectness is distracting and irritating. It takes the mind off the substance of the message. Frequently it arouses contempt because it gives a bad suggestion of ignorance, carelessness, or haste on the part of the writer. The natural assumption is that these qualities are to be found not alone in his let-

ters, but in his methods of handling more important matters.

Making the Letter Easy to Understand

It is obvious that the reader cannot respond unless he grasps the writer's meaning. For absolute *clearness*, however, a business letter must be more than merely *understandable;* it must also be *easy to understand.* It is useless to expect the reader to dig out the meaning from a mass of tangled verbiage. Some readers may have enough leisure or incentive to decipher an obscure letter, but they are rare. The average man considers his time valuable and reads his letters hastily. Unless he can grasp the message easily, there is a strong probability that he will not grasp it at all.

Obscure and ambiguous letters are perhaps the most frequent and most costly cause of wastefulness in business correspondence. They result in misunderstandings, disputes, and money losses. Often the writer is tempted to attribute the misunderstanding to the reader's stupidity, but usually it is due to his own fault. He should have assured himself that his meaning was so unmistakably revealed *that it could not be misunderstood.* Moreover, he should remember that clearness is a quality of the impression and therefore is always to be judged from the reader's viewpoint. The writer always knows what he means if he means anything at all. If the reader, however, does not know what a statement means, it is not clear.

The necessity for clearness is easily recognized. Actual clearness, however, is not so easily secured.

Time and patience are required to mould a writer's thought into the medium of words. This time and effort, however, will have to be given by one party or the other. The writer should give it. As George Herbert Palmer aptly says, "I must write with pains that he may read with ease."

The quality of clearness places even more severe limitations upon language than does the quality of correctness. The ordinary desk dictionary contains nearly one hundred thousand words that are correct and authorized for use as our code of communication. The average man's vocabulary contains only three thousand or four thousand words with which he is thoroughly familiar. We can hardly expect him to read our letters with the dictionary in his hand. The only safe way, therefore, is to use words that he surely understands. For the most part, these are the words commonly used in ordinary conversation.

Simplicity of language is perhaps the most important step in making the letter clear. The writer of the business letter might well profit by the example of Joseph Pulitzer, who after discovering that the average citizen of New York had an education only equivalent to that of a child in the fifth grade of the public school, directed that his editorials should be written in language that any child in the fifth grade could understand. In some instances the business letter is sent to people of higher education whose vocabulary is certain to be more extensive. Where the reader's own use of language or other indications have shown conclusively his ability to comprehend more unusual words, they may be

used. The principle of adaptation would even suggest that they should be used. It is almost always safe, however, to confine the letter to the vocabulary of ordinary conversation.

It is well also to take enough care in choosing words to make sure that they convey the exact meaning intended. The use of vague, inexact terms may result in a letter that can be understood, but it probably will not convey precisely the meaning the writer intended. In this connection we should especially take care to avoid the hackneyed, stereotyped phrases that used to be brought to mind by the term "business English." For the majority of people these are merely forms that contain no real meaning. It is practically impossible to convey any real message by means of them.

In sentence structure, as well as in diction, simplicity should be the rule. Long, complex-compound sentences put a severe tax upon even the most intelligent reader. When he comes to the end of a hundred-word sentence he is quite unlikely to have in his mind a clear conception of the idea with which it began. Almost without exception, writers who are distinguished for clearness use short sentences. Stevenson and Bacon found it possible to deliver their messages in sentences that averaged very little over fifteen words in length. Surely the business writer with his more limited range of messages should be able to keep within this average. Here again it may be remarked that the principle of adaptation permits greater complexity of structure in writing to educated people. There rarely is danger, however, of shooting too low, whereas shooting

over the head of the reader is a common and irritating fault.

Some writers apparently suffer from the delusion that anything big is necessarily impressive; therefore they use the biggest words they can command. (Occasionally, indeed, they use words they have not mastered, with the usual *malaprop* result.) The fact is that no person of any importance is genuinely impressed by pretentious language, and no writer of any claims to distinction uses a big word when a little one will do the work. The task of conveying ideas is hard enough at best; let us not make it harder by concealing them in foggy language.

The following letter is a fair specimen of the result of using unnecessarily long and unusual words:

THE FEDERAL METAL COMPANY,
COKEVILLE,
PENNSYLVANIA.

GENTLEMEN:

We have for acknowledgment your favor of the 29th ultimo in which our attention is called to the fact that your February statement and canceled vouchers have not as yet been received by you.

Upon referring to our records anent this matter, we find that they indicate that the package containing same was mailed to you on the first instant and same should have been received by you some time ago. We have taken up this matter with the postal authorities and have requested them to institute a tracer to ascertain the whereabouts of this package and we shall advise you of the outcome at as early a date as may be possible.

Please rest assured that we shall use all due diligence to prosecute this matter to its ultimate conclusion. In the event that the missing package is located and delivered to you in the meantime, please be so kind as to notify us.

Yours very truly,

The ideas in this letter are simple enough, but somehow the writer has contrived to make them appear formidable. A few words, such as *advise*, *locate*, and *institute* are used incorrectly and hence make the letter a little harder to understand. Most of them, however, like *anent*, *ascertain*, and *ultimo* are used correctly enough, but are seemingly dragged in to display the writer's erudition. He could have found everyday words to carry these ideas just as accurately and with far more service to his reader.

Another disturbing element is the use of stilted, hackneyed words and phrases, like *favor*, *instant*, *same*, and "We have for acknowledgment." It is true that many readers are accustomed to these expressions and have no difficulty in understanding them, but those who do not spend their days in an alpaca-coat atmosphere find them less readily understandable than conversational English. Even business men do not all think in these mechanical terms. Those who have arrived at positions of importance usually think in plain English and find letters in plain English far easier and pleasanter to read. There are other objections to these stilted, mechanical expressions which will appear later. Here it is enough to realize that their presence in a letter does not help to make it easy to understand, but rather the reverse.

The following letter shows the greater clearness of impression that results from the use of simple, conversational language:

THE FEDERAL METAL COMPANY,
COKEVILLE,
PENNSYLVANIA.

GENTLEMEN:

Immediately upon receiving your letter of March 29, informing us that you had not received your February statement and canceled vouchers, we started an investigation.

Our records show that the package containing them was mailed to you on April 1 and therefore should have been in your hands several days ago. We have asked the postal authorities to send a tracer, and as soon as we receive their report we shall notify you of the result.

If the package should be delivered to you in the meantime, please let us know.

Yours very truly,

There is an emotional side to clearness as there is to correctness. A man is likely to feel annoyed if he has to scratch his head over a letter. He may enjoy puzzles as a diversion for his leisure hours, but he does not want them in business. The obscure or ambiguous letter makes severe demands not only on his time and energy, but also on his patience. Frequently his patience, at least, will not stand the strain. Transparently clear letters, on the other hand, are such a joy to read that those who take the pains necessary to write them frequently receive their reward by return mail.

Saving the Reader's Time

Business and professional men value their time as much as their money or energy—sometimes more. The writer who demands as little of his reader's time as possible gives the kind of service that builds

good will. What is equally important, he insures against the possibility that his letter may be laid aside unread or given only a hasty, inadequate consideration. He should therefore strive to make his letter concise. The letter on page 35 is faulty in this respect as well as in clearness. It uses more words than are needed to convey the thought. This fact is apparent by comparison with the revision on page 37, which says just as much and uses sixty-three fewer words to say it. The reader is bound to feel the waste involved in a wordy letter, though he may not trace it to its source. Similarly, he is sure to appreciate the saving of his time in the truly concise letter.

Business men, especially, appreciate the quality of conciseness. If leading executives of large corporations were asked what qualities they considered most essential, many would say "conciseness" first of all. They have been wearied with so many tedious, long-winded letters that the rare exception that says its say and then stops is a pleasant relief. As the president of one great corporation puts it, "Nearly every writer has a certain amount of cream in his letter, but he dilutes it with so much skim milk that it is as thin as water." His favorite motto is, "Boil it down."

The boiling-down process should be genuine boiling down, however, and not the slovenly omission of essentials. Leaving out pronouns or other words needed for grammatical completeness is not conciseness. It does not save the reader's time. Instead it wastes it by compelling him to supply the omitted words. Anyone who has ever tried to dig out the

meaning of a ten-word telegram in which some parsimonious soul has tried to crowd enough material for a night letter, can testify that brevity alone is not a safe guide. In the telegram perhaps the compression has a shadow of justice, since each word beyond ten is charged for, but the letter has no similar excuse for such brevity.

The cost of a letter is not appreciably increased by using all the words that grammatical completeness demands. Even if it were, the expense would be justified by the clearer impression. Economy is a good ideal for correspondents, but economy, like everything else, should be considered first from the reader's viewpoint. Economy of his time and mental effort is more important than economy of the writer's expense. Brevity is always too costly when it is secured at the sacrifice of clearness or correctness.

For similar reasons, ideas that are needed to carry the thought clearly must not be omitted. To take it for granted that the reader can read between the lines is dangerous policy. It is indeed questionable whether more money is wasted by long-winded letters or by letters that omit essentials and thus necessitate a supplementary inquiry and reply—three letters where one should have done the work.

Conciseness should not be allowed to degenerate into curtness. The appearance of stinginess in the use of language sometimes makes the reader feel that the writer considers him of small importance. This is especially true in answering inquiries and complaints. The danger is greatest in the case of people who are somewhat apart from the business world and who do not receive any vast quantity of

mail. Adaptation to the reader should always be kept in mind in striving for conciseness. A letter that would impress the business executive as concise might easily seem curt to the farmer or the woman in the home.

Making the Letter Courteous

Although the qualities that have been described all have an emotional effect, they are essential chiefly in making the right sort of intellectual impression. Two other qualities a good business letter should have are almost entirely emotional. These are courtesy and character. Indirectly they may have something to do with the clearness and easy-reading qualities of the letter, for the reason that has already been mentioned; namely, that a letter that is pleasant to read and interesting is more likely to be read understandingly than a letter that is dull, tedious, or irritating.

Courtesy is based upon consideration for the reader's feelings and personality and means studious avoidance of any idea that would offend. A writer should have no difficulty in securing this quality if he has a genuine recognition of the reader's equality with himself. The moment he considers his reader inferior in mentality, in education, or in common honesty he is likely to commit himself to statements that will give offense.

Politeness is an element of courtesy, but it is only the surface, the outward dress, so to speak. Often it no more certainly indicates the presence of genuine courtesy than does the wearing of a dress suit prove the wearer is a gentleman. For all that, the business-

letter writer should make liberal use of the ordinary terms of politeness, "please" and "thank you." They not only suggest courtesy, but their use often helps to develop the quality.

The quality of tact is frequently mistaken for that of courtesy. They are similar, but tact is inferior. It implies simply the avoidance of things that may offend. This often leads the writer to indulge in flimsy excuses, "white" lies, and other sorts of evasions. It is doubtless an easy way to avoid trouble, but aside from the danger of detection by the reader, which always destroys good will, it lowers the writer's own self-respect. Courtesy avoids giving offense, but only by telling the truth in a way that will not offend.

It is not always easy to tell the truth without offending, but it is always possible. The difficulty is greatest in answering complaints, especially when these are angry and discourteous, as so often they are. The chapter on Adjustments will therefore present in detail the methods by which writers have successfully overcome the difficulty. In general, however, one will not go far astray if he controls his own temper and keeps the service viewpoint uppermost in his message.

The following example will show the difference between bluntness, tact, and courtesy:

Blunt

> We have not deposited the bond coupons for the excellent reason that they do not become due until the first of next month. At that time we shall collect them and notify you of the credit placed to your account.

Tactful

> Our previous acknowledgment must have gone astray in the mails. In that we called to your attention the fact that the coupons are all of December maturities and suggested that unless you had other wishes for their disposal we would hold them until that date and then collect them for you. We regret that the non-arrival of our former letter has caused you inconvenience.

Courteous

> We agree that we should have sent you promptly an acknowledgment of the bond coupons. As they were all of December maturities, however, we assumed it was your intention to have us hold them until the first of next month, and after collecting them, notify you of the credit placed to your account. We shall still dispose of them in that way unless we receive other instructions from you in the meantime.

The writer should never try to make the reader admit that he is in the wrong. If the admission comes freely, well and good. The attempt to force it, however, will almost invariably arouse his obstinacy. Moreover, we are likely to forgive other people's mistakes more readily than our own.

Similarly, it is unwise to make accusations in a letter or use words that suggest antagonism. You *complain*, you *claim*, you seem to be *laboring under the delusion;* you *erroneously state*, you *have failed*—these are only a few characteristic examples of the sort of expressions that make a letter discourteous and a breeder of ill will. Practically any idea that deserves a place in a business letter can be expressed not only inoffensively, but also pleasantly.

An even worse kind of discourtesy results from sarcasm. Sarcasm is associated with contempt; it

is a definite assumption of the writer's superiority. In literature it is considered a cheap form of wit; in business, it is usually costly, for it is the most effective way of losing friends and making enemies. The reader of a business letter is not an adversary; there can never be a victory won *against* him. He is judge and jury, and we can only win *with* him.

To sum it all up, courtesy involves a frank appreciation of the reader's honesty and fair-mindedness, and a willingness to meet him more than halfway. It means the embodiment in the letter of ideas and style that are adapted to his personality.

True courtesy never leads to a humble, cringing attitude on the part of the writer. Some people assume that what is wanted is a species of servile flattery for which we have no good English name, but which has a multitude of slang descriptions, such as *soft soap*, *blarney*, and *bunk*. To inject this into the letter is always destructive of self-respect, and the insincerity is often apparent. Courtesy means consideration for the reader's personality, but it does not mean suppression of one's own.

Expressing the Writer's Personality (Character)

What is more, the writer's personality should be expressed. His letter should have *character*, or what in literature is called *style*. It is something individual, distinctive—as much so, in fact, as his face or his handwriting.

Character is not found in all business letters. Its comparative rarity only makes it the more valuable, however, for the letter that does have character stands out from the others on a business man's desk

and commands his attention. It is different, it is interesting; hence it makes a more forceful impression than the colorless, dull letter. It makes the reader feel that he is listening to a human being, not to the mechanical clack of a typewriter. It makes the letter a more adequate substitute for the personal representative.

Character does not take the place of the other essential qualities, but its presence sometimes outweighs deficiencies in other particulars. The founder of the greatest mail-order house in the world wrote letters that were open to criticism in some respects, but they invariably were stamped with his rugged personality. The letters of Elbert Hubbard were full of unusual words, many of his own coinage, but they were deliciously individual. Hundreds of other cases could be cited of men who built up big businesses in small towns and did it mainly by projecting their own personality through the medium of letters.

Character is never found in letters that are composed of stilted, hackneyed phrases. No individuality of impression is possible in a message that begins, "Yours of the 16th inst. received and in reply we beg to state," and then follows with the usual stereotyped expressions. Such letters indicate that the writer has approached his task as a piece of tiresome routine to be disposed of somehow, and so far as he was concerned the best way was the way that required least originality and brain work. Routine phrases suggest routine thinking and a rubber-stamp personality.

Routine writing also leads to the development of a routine personality. That is one reason why the

use of hackneyed correspondence phrases is to be avoided even in the everyday business letter. The habit grows, and the writer soon finds himself incapable of writing important messages without depending on them. He not only fails to develop his individual abilities, but often loses whatever individuality he had and dooms himself to a subordinate clerical position. If this seems an over-statement, compare the letters of a real executive with those of a clerk.

Here is a paragraph written by the vice-president of a bank:

Monday was a bank holiday here, and I did not get your note of the 9th until yesterday. Naturally I felt like throwing up my hands to think it was necessary for you to write me again although I want you to do so whenever anything goes wrong.

This is natural, fresh, personal. It has *character.* Suppose he had written as follows:

In view of the fact that Monday was a bank holiday, your esteemed favor of the 9th instant did not come to my attention until yesterday. It is a matter of deep regret to us that you deemed it necessary to communicate with us again regarding this matter, although it is our desire to have you do this whenever difficulties arise in the course of our transactions with you.

The supposition is clearly absurd—not because such letters are not written, but because the men who write them rarely climb to positions of great responsibility.

The imitation of so-called model letters is likewise fatal to character. The letters given in this book, for example, are purely for illustrative purposes. Any one of them might have been written just as effec-

tively in a hundred other ways. And if the same situations had been handled by a hundred different persons, the letters they produced ought to have had considerable differences. A writer should try to present his thoughts in his own natural way, with due regard for his subject and his reader.

Of course, it is never wise to strain to be different. This will result in a style that is eccentric and artificial. Some authors have cultivated certain little rhetorical devices that they use on every possible occasion, much as actors studiously adopt novel effects in hair and neckties to catch the public eye. In business correspondence there is no place for posing; the intention is to secure profitable response, and the response, "How cleverly he writes," is not commercially profitable. If the business man will think of his reader and the message to be delivered, and will try to deliver that message clearly, correctly, concisely, and courteously, the quality of character will usually be evident in his message.

PROBLEMS

1. Rewrite the following letter in correct form and language:

XENIA, O.
10–24–21

MESSRS. ZELLIK CO.,
SPARTANVILLE, PA.

DEAR SIRS:

Answering your letter of the 21st inst. would say that while our quotations for gray iron castings are some higher than what you claim to have from other sources, have you considered that the superior quality of ours would effect a saving in their lasting longer, not being over-size, etc. Our figures being based on labor costs as

per the new scale of 1922, it seems like we couldn't hardly make any material reduction in same for quite some time and we would think that our previously good record on deliveries should entitle us to some preference.

Hoping that you will advise us of your intention to favor us with the order, we remain,

Resp. yours,
XENIA FOUNDRY CO.

2. Rewrite the following passage in clearer and more concise form:

"Were we disposed to be hypercritical we might have construed your elaborate defense as a tacit admission of culpability, but we merely reiterate our previous assertion that your word is sufficient to exonerate you without further substantiation of proof that you mailed the package. On the other hand, it seems not altogether impertinent on our part to direct to your thoughtful consideration the fact that our own records, in the completeness and accuracy of which we pride ourselves, and not without reason, altogether fail to reveal any indication that any package approximating your description was ever received. The inescapable inference, therefore, is that it was lost in transit."

3. Rewrite the following passage for greater courtesy:

"We regret that it is contrary to our policy to send out gowns and other delicate wearing apparel on approval. It has sometimes happened that in such cases the articles have been worn once or twice and then returned to us with their saleability impaired. While we would not suspect you of such an intention, you can readily see that our policy is necessary to protect our other customers."

4. Rewrite the following passage for better character:

"We beg to acknowledge your favor of the 30th ult. and advise that the non-delivery of your desk set will be carefully investigated. Upon completion thereof report will be made. In the meantime we are duplicating the order.

"Regretting the annoyance that may have been experienced by you, and assuring you of our desire to serve you further, we are,

Very truly yours,"

5. Assume that you are called upon to answer the following letter:

ABINGTON, MASS.
Sept. 14, 1921.

WOLFSHEAD ARMS CO.,
WAKEFIELD, DEL.

GENTLEMEN:

Over ten days ago I wrote requesting one of your catalogs and "The Camper's Guide" as advertised in Forest and Stream. To date I have heard nothing from you.

I am not a curiosity seeker, and as I expected to arrange a camping trip soon, you had a good chance of some business from me, but if you handle orders like this I wouldn't get the stuff until I was ready to come home.

Can't I get some action from you?

Very truly yours,
CHARLES STUART.

Upon investigation you find that Mr. Stuart's first letter was answered promptly, but the reply was sent to Arlington, Massachusetts, presumably because the address was not very plainly written.

Write a suitable reply to Mr. Stuart.

CHAPTER III

How to Construct the Letter

The Relation of Constructive Principles to the Impression

The artist—and as we have seen, the writer of good business letters is an artist, not merely an artisan—keeps always in his mind's eye a picture of the result to be achieved. Whether he is creating a building, a statue, or a business letter, he has a definite conception of the qualities he hopes to secure in his impression. He cannot, however, rely entirely upon this conception to guide him. He must have a plan. To attempt to write a good letter without a plan is as hopeless a task as to construct a building with only a pile of lumber and bricks and a rough sketch of the perspective.

How does the architect plan a building that is to have certain qualities—stability and permanence, for example? First, he studies buildings that have given the impression of stability and permanence in the past, and finds what principles were responsible. Then he selects his material and arranges it in accordance with these principles, confident that the complete structure will have the effect he intends.

Much the same process is followed by the painter, the composer, and the poet. In the fine arts, of

course, intuition or inspiration has a larger proportionate value and the plan proportionately less. Architecture furnishes a closer analogy to business-letter writing because it is a useful art. The practical functions of a building have to be kept in mind and the structure so planned that it may serve its purpose as a bank, a railroad station, or a store.

A business letter should be carefully planned if it is to do its appointed work and make an impression that has the essential qualities—particularly clearness. Even the experienced writer is rarely able to plunge into the task of answering an important letter with no other guide than a knowledge of the impression he wants to make and the response he hopes to secure. Good letters are built to-day in accordance with the principles that have been used in producing good letters in the past. Some of them are principles that have been known and used for centuries in all kinds of written compositions from dramas to short stories. Some of them are principles that every high-school graduate has studied in English composition.

The application of these eternal principles, however, differs according to the type of composition and the functions which the particular message has to perform. For that reason it will be necessary here to analyze these principles of construction and show how they are applied to the business letter.

The Importance of the Plan

It takes only a few moments to plan a letter, and these few are usually an actual saving because of the increased rapidity and ease with which the entire

letter can then be composed. With a sketchy little outline before him a man can dictate with greater speed and sureness, and thus save his own time and that of his stenographer. The result is more satisfactory; there is less likely to be need of revisions and retyping. More important, there is greater certainty of a favorable response.

To appreciate the value of a plan, it is only necessary to read a few of the rambling, disorganized letters that are produced when the writer dashes ahead without one. The following is an average specimen:

THE SECOND NATIONAL BANK OF BOSTON,
BOSTON, MASS.

GENTLEMEN:

We acknowledge with pleasure your communication of the 21st inst. inclosing copies of your letter of the 15th requesting us to receive certain notes for your account.

We take pleasure in informing you that the notes presented by Messrs. Sterrett, Oldham & Company and Messrs. Peabody and Scudder have been accepted on presentation and handled according to your wishes, although we lacked instruction from you at the time and had to make the fact known to the remitters.

We felt that the correctness and promptness that we have always noted in your dealings with us, as well as the consideration that we have for your institution, allowed us to do this. Our judgment was supported by the fact that the originals of your letters with inclosures properly attached were found to have been received in time to be handled by us as desired by you. However, through an oversight on the part of one of our clerks they were not sent to the right dept. and were consequently delayed in rerouting until after banking hours of the day of receipt.

We have already notified Messrs. Sterrett, Oldham & Company and Messrs. Peabody and Scudder that your instructions had been forwarded promptly and that the delay had occurred at this end.

We assure you that such oversights as mentioned above are infrequent in our bank, as we endeavor to give the best of service and co-operation.

We might add that a little care on your part in indicating the proper department of the bank in the address would facilitate delivery and tend to obviate misrouting.

We are very glad that your interests suffered in no way in this matter, and remain,

Yours very truly,

After reading this letter we have only a confused idea of what it is all about. There are several reasons for the lack of clearness in the impression. The chief one is that the letter is not organized. The writer has set down his ideas just as they occurred to him. Some of them might better have been omitted altogether, such as the suggestion that the reader could avoid difficulty by making his address more complete. The ideas that deserve inclusion should have been so arranged and knit together that the reader would have progressed easily step by step from the beginning to the end.

The situation was not really complicated. All that was necessary was a simple explanation of the fact that although the letter of instruction was misrouted in the bank, the notes were paid upon presentation, just as they would have been if the letter had reached the right department. These bald facts, of course, need to be supported by circumstances and reasons, and the service viewpoint should be brought out.

If the man who handled this letter, before calling his stenographer, had jotted down on a slip of paper the points to be covered, or even if he had simply

planned the letter in his own mind, a letter like the following would probably have been the result:

MR. ARTHUR T. ROCHE, Cashier,
SECOND NATIONAL BANK,
BOSTON, MASS.

DEAR SIR:

Thank you for writing us regarding the notes presented by Messrs. Sterrett, Oldham & Company and Messrs. Peabody and Scudder.

On investigation I find that your letters of the 15th were received, but through an error were not sent to the proper department until after banking hours of the same day. Nevertheless, when the notes were presented we had in mind the protection of your interests and therefore took up the notes and charged them to your account. Under these circumstances, we have not communicated with either of the presenting firms, as there was no delay in making payment and no reflection on your good bank or your clients.

I hope that you have not been inconvenienced by this occurrence, and I assure you that steps have been taken to avoid any delay in the future. We are anxious to give you the best possible service, and it is only with the co-operation of our customers in bringing matters of this kind to our attention that our officials are able to locate and correct these errors. Will you not take time to write me personally if at any time your business is not handled to your entire satisfaction?

Very truly yours,

The superiority of this second letter is due partly to its adaptation to the reader, to its service viewpoint, and to its courteous tone. It is due even more, perhaps, to the fact that it tells the reader what he wants to know in a simple, logical, orderly way. It does not conceal the main point by the inclusion of irrelevant and distracting material. Careful

planning has helped to make it easy to read, easy to understand, and agreeable.

Concentration on One Main Idea

In planning a business letter, or anything else, for that matter, the first step is to select the material that is to be used. The principle involved here may be expressed in one word—*concentrate.* Find the main idea that is to dominate the letter—its theme or key sentence. This should be the idea you would put in a short telegram if that were the only way to write the message.

These key sentences would be somewhat like the following:

Your car will consume less gas if equipped with a Keystone carbureter.

To insure getting one of the few remaining sets, order now.

You can preserve your credit reputation by remitting the amount due us immediately.

It will be more economical for you to have this tire replaced than to have it repaired.

In each of these instances it will be noted that the main idea is one of service to the reader. This is in accordance with the Golden Rule of letter writing which has already been explained.

After the main idea has been decided upon, the writer should select the details, circumstances, reasons, conditions, etc., that are needed to establish it in the reader's mind. He should rigidly cut out the ideas that do not contribute to the main one, no

matter how valuable they may be in themselves. Unless he does this, the letter will not be a unit.

Avoid the Double Message

The most elementary violation of unity or concentration is to write upon two different subjects in the same letter. In a large business house, the two subjects would be handled by different departments. The routing from one department to another involves delay and there is always the danger that only one subject will receive attention. Certain large contracting firms have even made it an absolute rule that no letter may deal with more than one contract, even though the letter goes to a company that is handling several contracts for them. This is a good rule. Business expediency dictates the policy of one subject to a letter, though two letters may be sent in the same envelope.

People of small business experience, especially in country districts, are most likely to transgress this rule. They save all their questions to be handled together and often put a complaint, an inquiry, and an order in the same letter. Because of the prevalence of this habit some of the great mail-order houses employ a corps of summarizers whose duty it is to split such letters into parts and refer each part to its proper department. Only by this means are they able to give the prompt service that is necessary in their business. The process, however, is costly and firms in other fields do not usually take this trouble to correct the mistakes of those who write to them.

Aside from this practical utility reason for unity,

there is a psychological reason. The human mind finds it difficult to attend to more than one thing at a time. A single point will penetrate more easily than a dozen. It is difficult enough for the letter to compete with the other interests and attractions that are in the margin of the reader's consciousness without introducing the competition of two unrelated messages.

In the sales letter the writer should seek out one distinctive point of superiority and concentrate upon it. A multiplicity of talking points only confuses. If there are several such points to be presented, the better policy is to use a series of letters. There are exceptional cases, of course, where this is impracticable, but even in these exceptions the writer should somehow find one dominating idea that governs. This should never be anything so general and all inclusive as, "Our product is the best in the world." It may, however, be an idea that makes possible the introduction of a variety of materials, such as, "Judge the value of our product on the basis of its actual performance."

The difference between a letter that concentrates and one that does not may be seen by comparison of the two following letters sent out by banks:

DEAR SIR:

On former occasions it was our pleasure to invite your company to open an account with us, and we desire to assure you of our continued interest in the establishment of this relationship.

We find that we are already serving you through our Foreign Exchange Department in the way of commercial letters of credit. When payments are made to you in this department, they are usually in the form of our cashier's check. Would it not be much more convenient for you to allow us to credit these payments

to your account, as in the case of our customers, informing you at once, thus simplifying the operation on both sides? You would then be in a position to draw your own New York exchange in addition to taking advantage of our other services.

Our Foreign Trade Department is in a position to co-operate with you by investigating market conditions abroad, and the opportunity for the sale of your article. We also give reports on the credit standing of the prospective customers, and maintain a system of credit files, containing information of great value to our depositors. Upon request, we will be glad to furnish you with a list of the principal importers in the countries in which we have branches. Our scope of usefulness in this respect has been extended, due to the fact that interests closely affiliated with the Tenth National Bank have taken over the Trans-Oceanic Banking Corporation, with branches throughout the Far East.

All of our many facilities are at your command, and we invite your company to open an account with us, and allow us to assist you in the development of your foreign trade.

Very truly yours,

Dear Sir:

For the purpose of aiding American concerns in developing their domestic and foreign markets, we publish a semi-monthly bulletin on business conditions and opportunities in this country and abroad, which is of valuable assistance to those seeking to extend their business.

As your business grows you will doubtless need new banking connections. We believe that your interests can be served best by an institution such as ours which is a commercial bank, a trust company, a safe keeping depository, a foreign exchange bank, and an investment institution. A sympathetic understanding of your problems, however varied or complicated, is assured.

Do you desire assistance in preparing your Income Tax Return? Our corps of experts would welcome an opportunity to help you.

Are you able to secure credit checkings on domestic and foreign customers when you need them? Would a report on markets for your goods in any foreign country be of interest?

Our personalized service departments—Income Tax, Publicity, Domestic and Foreign Credit, Statistical and Foreign Trade—would welcome inquiries from you.

We pay interest on daily balances of $1,000 and over, varying from two to three and one-half percent, according to the nature of your deposit. At our London and Liverpool offices, we pay from three and one-half to four percent, depending on the size of the account; at Paris, three percent on 5,000 francs and over; and at Brussels, one and one-half percent on 5,000 francs and over.

You are cordially invited to use such of our company's services as will bring the most benefit. May we hope for the privilege of a call?

Yours very truly,

Both of these letters might be improved, but the second letter is the less satisfactory in its present form because its fire is scattered. Possibly some of the bird-shot may take effect and prompt an inquiry. It can do no more than this at best, and if it does not do this the letter is surely wasted, because when the reader has finished he has only a vague notion that here is an institution that does a good many things. He will not remember any one of them, because no one is deeply impressed. In the letter on page 56, the fact that the bank can serve them in foreign business is the main idea. The reader will probably receive it and remember it. If he is in need of service along that line, so much the better. If he is not, he still receives the suggestion that a bank so strong in this department is surely well equipped to give him other service.

Include Essentials, Omit Non-Essentials

The principle of concentration is chiefly valuable in securing clearness of the impression. It also leads

to conciseness. Whether the letter be long or short, it will be concise if it contains the material it needs to make it complete and contains nothing more. The principle of unity is the guide in determining how much support the main idea requires. Obviously, it requires enough support at least to make it possible for the reader to answer without asking for further information. An order, for example, needs to have all the necessary specifications to identify the article desired, proper shipping directions, address, and the like. Inquiries, similarly, need enough facts to insure an intelligent reply.

A more common fault, however, is to include material that is unnecessary and irrelevant. Conceited and garrulous persons sometimes put in their letters a great many personal details that are of no importance to the reader and have no bearing upon the reply. Answers to complaints sometimes include the apology and explanation they need and then add accusations and suggestions of blame that they do not need and that defeat the purpose of the apology.

The following letter shows the time-wasting and irritating result of including irrelevant material:

DEAR SIR:

Perhaps you will more readily recognize my name if I refer you to the year I attended college; however, I am not at all proud of my record in your files, and suggest that you do not measure my ability to study and my appreciation of your wonderful college by the record.

Shortly after starting my course I had an opportunity to take a very good position and was promoted to a very busy desk, and I had all I could do to keep my work up, then I had the "flu;" then tonsils out, and my work not getting any lighter I was much too busy to keep up my studies, so therefore I had to throw

them aside much against my wishes, as I knew I would be in the exporting business at some time.

However, I have since connected with the above firm and have been made treasurer of the company; it will devolve upon me to dictate many letters to foreign correspondents and knowing each country has a style of address all its own, I would like, if possible to get a text book on FOREIGN CORRESPONDENCE, treating with correspondence to each country separately.

Small wonder that this writer's desk is "busy," if he handles all his correspondence in this way. It is much to be feared that his need is for a book on domestic correspondence as well as foreign.

On the other hand, the sketchy, incomplete inquiry is almost equally irritating and time-wasting because it cannot be completely answered and leads to the swelling of the correspondence files by further inquiries and answers.

From the standpoint of unity, it is a good idea in planning the letter to have clearly in mind or on paper answers to the following questions:

What is the response I wish to get?

What information is essential to the reader before he will make this response?

What arguments, inducements, or appeals are needed to insure this response?

The answers to these questions will usually enable the writer to select intelligently the ideas that are essential and to exclude the non-essentials.

Progress in the Letter (Coherence)

After selecting the material that is to go into the letter, the next important step is to arrange it. The object is to enable the reader to progress easily and rapidly from beginning to end. Lack of clearness is

more commonly due to faults in this respect than to faults of any other kind. When a man does not understand a spoken explanation, he frequently interrupts, "Hold on a minute; I don't follow you." The speaker will then take the hint and explain the matter over again, taking care to see that his listener grasps each point before he goes to the next.

The reader of a letter cannot interrupt the writer with any such friendly hint. If he does not follow the thought, he is lost entirely and will not make the response suggested at the end of the letter. If he does follow, but only with difficulty, the mental effort required of him contributes just so much friction that takes away from the force of the impression.

All this can be avoided by applying the principle of coherence. This principle involves three separate parts:

1. Arrange material in logical order.
2. Avoid unnecessary changes in construction.
3. Supply exact connectives wherever they are needed.

The Rhetorical Orders

What order of arrangement is logical in any given case depends largely on the nature of the material and the purpose of the letter. In some situations the order may be such as would naturally be used in a literary composition—that is to say, narrative, descriptive, explanatory, or argumentative. These may conveniently be called the rhetorical orders.

If events are to be narrated, as in making a complaint or reporting the results of an investigation, the most logical order is the chronological, or order

of time. This is always easy to follow and where appropriate it will be found effective. The following example illustrates:

GENTLEMEN:

We are glad to give you the information you wish regarding our experiences with the X. Y. Z. Company, about whom you inquire in your letter of February 10.

The firm first came to us on October 9, 1916. On that date they purchased from us 20 dozen pens at a total cost of $225. They took advantage of the discount by paying the bill on October 19.

In January, 1917, they gave us an order for 18 dozen pens at a total cost of $208. This bill they paid in February.

Their latest purchase from us was in June, 1918. At this time their order amounted to 12 dozen pens. They paid the bill in August after we had sent them several requests for remittance.

We trust this information will be of some value to you in determining just what amount of credit you may feel justified in extending to them.

Very truly yours,

In some letters an article of some sort has to be described. It may be a piece of real estate, a machine, a book, an issue of stocks or bonds, a person, or a company. Here the descriptive order is likely to be useful. This means an inclusive statement of the general aspects first, followed by details in the order in which they would be observed or inquired about. A letter is rarely devoted entirely to such a description, but frequently it is useful for a part of the letter. The following example illustrates:

The X and Y Company of Akron, Ohio, has been among our most valued clients for the past three years. It maintains an account of good proportions and we hold at its disposal a sub-

stantial line of accommodation. Its financial statements, to which you no doubt have access, make an impressive showing and the people who direct its management enjoy our full confidence.

In letters that are composed almost entirely of explanation or argument, the most useful orders are the deductive and inductive. The deductive order closely resembles the descriptive. The chief difference is that it is dealing with ideas rather than things. It involves a statement of the general conclusion or assertion first, followed by the facts which support and justify it. The inductive order is just the opposite. Here the writer gives the facts and evidence first and concludes with the general truth which these facts establish. The following comparison will illustrate:

Deductive

We consider the purchase of German Government municipal internal bonds highly speculative at the present time for the following reasons:

Internal German securities are payable in Germany in marks, which are now greatly depreciated, owing to the present condition of national credit, the trade situation, and the great inflation resulting from the issue of large quantities of paper currency throughout the entire war period. Future developments in the finances of the German Government are also uncertain, commercial relations between this country and Germany have not been wholly re-established, communication is still difficult, and recent statistical information on German securities is not readily available.

Inductive

Internal German securities are payable in Germany in marks. The value of the mark is now greatly depreciated as a result of the present condition of the national credit, the trade situation, and the great inflation of the currency through war issues.

Future developments in the finances of the German Government are still uncertain, commercial relations with this country have not been wholly re-established, communication is still difficult, and recent statistical information on German securities is not readily available.

For these reasons, we consider the purchase of German Government and municipal internal bonds to be highly speculative.

The Functional Order

Since the great bulk of business letters are intended to secure action, the most logical order in the majority of cases is that which most effectively paves the way for action. This may be called the psychological or functional order. It varies, of course, according to the type of letter and the specific response expected. In a general way, however, the functional order may be said to begin with the reader's interests and lead gradually to the writer's. A theoretically perfect example would begin with the word "you" and end with the word "us."

In certain types of letters a particular functional order required has been established by tests and experience. Before a man will respond to a sales letter, for example, it has been found that the following functions must be performed:

1. His attention must be attracted and his interest secured.
2. His desire must be aroused.
3. He must be convinced.
4. He must be stimulated to act.

Before he will be satisfied with an adjustment of a complaint he has made, it is usually necessary that the following functions be performed:

1. He must be conciliated and put into a responsive frame of mind.

2. He must be informed of the facts or causes of the complaint.
3. He must be offered a just reparation.
4. He must be given some assurance of more satisfactory treatment in the future.

It is unnecessary, and in fact impossible here, to indicate all the varieties of functional order that are useful in business letters. Many of them will receive detailed treatment in the following chapters, where the most important types of letters are discussed. In other cases it will be necessary for the writer to use his own judgment. Usually we shall not go far wrong if we remember that the reader is interested in himself and in his affairs and only through such interests can he be led to accept our point of view and do our bidding.

Avoid Changes of Construction

Although orderly sequence of ideas is the most important factor in making a letter coherent, its value may be largely nullified by unnecessary changes in construction. The human mind is subject to habit and works most easily in accustomed grooves. Salesmen occasionally make use of this principle by asking a series of questions, the first of which obviously demands "yes" as an answer. By the time they reach the critical question of buying, the listener has the "yessing" habit and commits himself to the purchase. In a letter, likewise, there is often the possibility of casting a series of ideas in the same form and thus making it easier for the reader to follow.

If a business letter mixes indiscriminately asser-

tions, conditions, commands, and questions; if it shifts the subject from *I* to *we* or *the writer;* if it changes continually from the active to the passive and *vice versa*—it will tax the reader's attention and halt his progress. This does not imply that there should be no variety of sentence form. Excessive use of parallelism may result in monotony, but this rarely happens within the length of the usual business letter. In any case it is usually a less serious fault than incoherence.

Use Exact Connectives

A letter that is in logical order and properly constructed has little need of connectives. The connection is obvious from the sequence and close relationship of the ideas. Yet it sometimes happens that ideas which are closely related in the writer's mind are widely separated in the reader's. Expressed connectives that will show the relationship help to bridge these gaps and enable the reader to pass from one idea to the next more readily.

These connectives are of many kinds. Simplest and most common are the conjunctions *and* and *but*. Some writers apparently have no other way of connecting ideas. They dictate a string of sentences loosely linked together by *ands* and *buts*, with the result that the letter is dull and amateurish. Often it is also obscure, because *and* cannot be used to express every sort of relationship between ideas. It indicates that the ideas are substantially equal and co-ordinate.

The overworking of *and* is a direct result of failure to plan the letter in advance. Where the

writer knows definitely the order in which he will present his ideas and the relationship one bears to another, he does not pause with a hesitating *and* while he tries to formulate his next point. If the relationship is that of cause and effect, he has his *because* or *therefore* right at hand; if it is that of time, or of condition, or whatever it may be, he instinctively selects the right connective and goes on. The number of conjunctions and conjunctives is so small that no one has an excuse for failure to master them all and to use the one that shows the exact relationship of the thoughts.

Besides single-word conjunctives, many connective phrases are available—"on the other hand," "in spite of this fact," "in addition"—the list of examples might be extended indefinitely. For the sake of conciseness, however, it is well to avoid using connective phrases in cases where single-word connectives will serve.

For the same reason, the use of transitional sentences is not advised in the short business letter. Occasionally the gap between the two thoughts is so wide that no other form of connective will bridge it effectively. In the following case, for example, the transitional sentence is almost indispensable:

DEAR SIR:

Here's a little tip that has often saved hundreds of dollars for new house owners:

During September and early October flies are not very active—they do not seem to be nearly so bothersome as in the summer. This leads many who move into new houses in the late summer to think they can put off screening till next spring.

But here's what happens:

If they can get in, flies will come by the hundreds from the bright outside glare to the cool and shade of the inside. They won't buzz around and make their presence felt as they do earlier, but they will cluster on your walls and chandeliers and die there, leaving musty spots that it is almost impossible to get off—often making it necessary to entirely redecorate whole rooms. . . .

Pronouns furnish one of the simplest and most convenient means of connection. These may be personal pronouns, like *it* and *they*, or demonstratives, *this*, *that*, *these*, *those*. Relative pronouns, *who*, *which*, *what*, should never be used to link sentences; their function is to show relationships within a sentence.

One great advantage of the pronoun is that it facilitates the process of keeping one point of view and one subject uppermost, and hence avoids the changes of construction that have been discussed in previous pages.

To serve its purpose effectively, a pronoun must refer unmistakably to some antecedent that has already been expressed and that is near enough to be clearly indicated. If the reader has to search for the antecedent or guess at it, the pronoun hinders rather than helps coherence.

Instead of using a pronoun, the writer may advantageously repeat a word or phrase for better connection. Repetition is valueless, however, unless the repetition is immediate. To repeat a word that was used several lines previously is merely distracting. It suggests the kind of progress made by the frog of the arithmetic book—the frog that got out of a well by climbing three feet and falling back

two feet. Repetition should be intentional and the words repeated should be worth repeating—usually the subject or object of the sentence.

In letters of explanation and report, where interest is a minor consideration, numerical connectives may be used. Elsewhere they are likely to seem rather formal and stiff. The ordinals—*first, second, third*—are a little less objectionable than the cardinals—1, 2, 3. The expressions *firstly, secondly, thirdly* should never be used.

The whole subject of connectives involves so many points of technic that are elementary (but unfortunately are not mastered by the average business man) that it would be well to study it further in some standard grammar or manual of business English. Any one whose experience has given him an opportunity to analyze many letters will agree that there is no more prolific cause of obscurity and ambiguity than incoherence. The cure is often to be found in the exact and intelligent use of connectives. No writer can hope to become an expert letter writer unless he can construct his letter coherently.

Right Proportion of Space

The third principle to be used in the construction of every letter is that of emphasis. This demands that the ideas of greatest importance be brought most prominently to the reader's attention. The two chief methods of applying this principle in planning the letter are by position and by space.

Other things being equal, the larger an object is the more attention it receives. The elephant is

always the most conspicuous animal in the circus parade. The biggest electric sign on Broadway, the tallest office building, the largest factory or store—all these by their size become more conspicuous than their neighbors. Advertisers try to dominate by using more space than their competitors. Within the individual advertisement an important idea may be emphasized by using bolder type, or by isolating the idea in a sea of white space.

In a business letter it is possible to emphasize an important idea by the mechanical method of writing in capitals or spacing it out. The better way, however, is to develop it at greater length. Conversely, the less important ideas may be compressed. The latter process is usually the more necessary because letters are most likely to suffer from undue stress upon the unimportant ideas. In answering a complaint, for example, if there are many paragraphs repeating the reader's complaints and sympathizing with his troubles, his grievance will be magnified. His attention should be focused on the explanation and the assurance of better service in the future.

Emphasis of space can be secured by repetition when the letter is to a person whose time and interest insure that he will read the letter through. A Chicago mail-order house uses this device continually in its letters. On one occasion the house had to abandon the policy of giving premiums. It was feared that many customers would be disgruntled. The president wrote them a three-page letter in which he explained the new policy and the reasons

for it, and then explained again in more detail, and then explained a third time. It seemed like a waste of paper, but events proved that the customers almost universally understood and accepted the explanation at its face value. Repetition had driven home the message.

In writing to the busy business man, such repetition is not advised. He would not have the patience to tolerate it. Repetition of a single word or phrase, however, often serves to stamp it on his mind and make him retain afterward a clear-cut impression of *service*, of *distinctiveness*, of *promptness*, or whatever the keynote word may be. The following passage will illustrate:

> We want to be absolutely *fair* with you. We know you want to be equally *fair* with us. Surely it ought not to be hard for us to agree upon an arrangement that will be *fair* to both sides.

Position of Important Ideas

Psychologists assure us that because of the factors of primacy and recency the beginning and end of anything always have a stronger claim on our attention and are remembered more easily. This law is responsible for the fact that the first and last pages of the advertising section of a publication are "preferred positions" and command a higher rate than the other pages. In every written communication also the beginning and ending are "preferred" positions and should be occupied by important ideas.

The business letter needs the application of this principle more than almost any other kind of message. Unfortunately, a large percentage of letter

writers ignore it entirely. The mails are filled with letters that begin, "We beg to acknowledge the receipt of your letter of June 16th," and end, "Hoping to be favored with an early reply, we remain." Obviously, those ideas are not the most important in the letter. Ideas that are common to nearly all letters cannot be the most important in any one of them. To give them the most prominent positions in the letter is downright waste of opportunities.

How to Begin the Letter

Why is it that a stereotyped, mechanical acknowledgment occupies the first sentence of so many letters? It is partly due to habit; partly to failure to realize the value of a good beginning; partly to sheer laziness. Often it is evidence that the letter has not been planned in advance. The man who glances over a letter and starts to dictate his reply is quite likely to mumble a routine acknowledgment that requires no mental effort on his part while he is thinking what to say.

It is true that some acknowledgment of the previous communication is usually necessary not only to identify the letter for filing purposes and serve as a record for future reference, but also to link the subject with the reader's interests. There is no need, however, for sacrificing the whole first sentence. The acknowledgment can be placed outside the body of the letter, or it can be woven into the first sentence as a subordinate thought. In either case the main idea of the opening sentence can be important and can be expressed forcefully.

The following examples illustrate:

We are naturally pleased to learn from your letter of June 16 that you are in the market for high-speed steel.

The offer outlined in your letter of June 16 interests us.

We appreciate your frank letter of June 16, calling attention to your unsatisfactory experiences with our representative.

The shipment of beans referred to in your inquiry of June 16 is now on the way.

There are exceptional cases in which this sort of beginning cannot be used without awkwardness, but a little care in planning will ordinarily enable the writer to begin with some genuinely important statement. He should try to vary his beginnings somewhat; otherwise he may develop the habit of beginning all his letters, "We are glad to . . ." or "We are pleased to . . ." These are less objectionable than, "We beg to acknowledge," but any beginning loses its right to the position of honor when it becomes a mere form.

The principle of coherence should be kept in mind in deciding upon the beginning idea. Almost always it should be the idea that is of most direct and immediate importance to the reader, so that he may be more receptive to what follows.

For the same reason, the beginning should have a positive and sympathetic tone. When the first impression the reader receives is one of indifference or antagonism he is likely to read an indifferent or antagonistic attitude into the rest of the letter and take his cue from it.

Consider, for example, the following beginnings:

We are surprised to learn from your letter of March 4 that you are dissatisfied with the rifle we sent you.

Your letter of May 24 indicates that you are laboring under some misapprehension.

We were sorry to receive your complaint of July 11.

These and many more of the same negative kind do real harm because they put the reader in an unpleasant frame of mind at the outset. Possibly the writer's statement is justified by circumstances, but, if so, the view can be withheld until the reader has been prepared for it by friendly overtures. No matter how unjust, unreasonable, or antagonistic the reader has been in his own letter, it is possible to begin the reply with a friendly, co-operative tone.

The Ending of the Letter

The ending of the letter should be its climax. It is the part that remains longest in the reader's mind. It has the most vital bearing on his response. It should therefore contain an idea that tends to direct his response as you wish it and should be individually and forcefully expressed.

The weakest sort of ending is the conventional expression introduced by the participle *hoping*, *trusting*, *believing*, or the like. If the idea expressed were really important it would deserve a definite verb. The participle is the weakest construction in the English language. In most cases the idea contained in the participial ending is a mere conventionality, and does not deserve the prominence

assigned to it. It is tacked on because the writer has said his say, but, like some personal callers, does not know how to say "good-by."

The writer who applies the principle of emphasis will plan to conclude his letter with some important idea, forcefully expressed. Usually it will have a direct stimulus on the reader's action.

Compare the following:

Weak	*More Emphatic*
Trusting to receive an early and favorable reply,	May we have your answer soon?
Hoping to receive your remittance in the near future,	Please remit by return mail.
Trusting you will start a tracer immediately, we are,	Please start a tracer at once.
Thanking you for past favors, and hoping to receive your valued patronage in future,	We shall give prompt attention to your future orders.
Assuring you of our desire to be of every possible service,	If we can be of further service, let us hear from you.

Some writers fear that the emphatic ending will seem abrupt. This will not be the effect if the way is properly paved for it by the preceding paragraphs. In any event, it is no difficult matter to smooth away any possible harshness by a judicious use of the terms of ordinary politeness. Adaptation to the reader may suggest in some instances that the letter end in much the same way that the reader habitually ends his own. It is doubtful, however, whether even bank cashiers feel the omission of the conventional phrase, "Ever mindful of your favors,

we are," with which bankers of the old school used to wind up their communications.

Within the letter, positions of secondary emphasis are to be found at the beginnings and ends of paragraphs and the beginnings and ends of sentences. Important words, so far as possible, should occupy these positions. Every pause, in fact—whether that pause is made by a paragraph division, a period, or a comma—gives opportunity for a little extra stress upon a word. Effective speakers make good use of these pauses to bring out their main points. The writer of business letters should profit by their example.

To illustrate the application of this principle we may consider the matter of connectives. The lavish use of *and* and *but* has already been objected to because of their inexactness. A further objection is that when used to connect sentences they necessarily come at the beginning. Connectives like *therefore*, *however*, *nevertheless*, and the like, can be placed inside and the beginning used for the subject of the sentence, or some other important word. This is a small point, to be sure, but mastery of small points is the distinguishing virtue of the effective writer.

All emphasis depends upon judgment. The principles governing it are not so rigidly applied as the principles of unity and coherence. There is more room for the personal equation, and more scope for the expression of character. Failure to employ wisely the methods of emphasis is a fairly sure sign that the writer lacks a sense of proportion and it is certain to result in letters that are far short of their maximum effectiveness.

PROBLEMS

1. Test the letters in Chapters I and II for unity by writing a key-sentence to sum up each one.
2. Assume that you are in the employ of The Powderly Press, a printing house of Concord, New Hampshire. You have printed and delivered to Asa Steele, a contractor of Portland, Maine, a quantity of letterheads, billheads, and envelopes. He writes complaining that the letterheads were not bound in pads as he specified.

   You have the following facts as a basis for a reply:

   1. His original order did not specify pads.
   2. A later letter stated that "the material should be made up in pads as on previous work."
   3. You had already packed the letterheads for shipping.
   4. It is not customary to put letterheads in pads.
   5. You bound the billheads in pads.
   6. You assumed that he did not want the letterheads bound in this way.
   7. Your records did not indicate that he had previously had the letterheads in pads.
   8. If you had unpacked the letterheads and bound them up, there would have been a delay of two or three days.
   9. You do not feel that you are at fault.
   10. If his letter had been clear, you would have followed his instructions.
3. Which of these facts are essential in the reply? What additional ideas, if any, should be included?
4. Arrange the ideas in logical order.
5. Write the letter.
6. Assume that you have the local agency for a well-known make of automobile.

   You have a letter from Thomas Stone, R. F. D. No. 3, inquiring if you have a second-hand car for sale at a reasonable price for cash. You do not happen to have a used car that you can recommend, but there seems to be a possibility that you may be able to induce Mr. Stone to buy a new car, if you can demonstrate its advantages to him personally.

   Plan the letter that will get him to consent to a demonstration. (Give a single-sentence summary of each paragraph.)
7. Write the complete letter to Mr. Stone.

CHAPTER IV

Credit Letters

The Beginning of Business Relations

The preceding portion of this book has dealt mainly with the general aspects of business-letter writing. Beginning with this chapter, the technical features of the various specific types of business letters will be treated in detail. The first type to receive consideration will be the credit letter, because business relations between a customer and a business house so often begin with the making of arrangements about the matter of credit.

Before it will be possible to write satisfactory credit letters, however, it is necessary to know something about the subject of credit and about the work performed by the credit man.

What Is "Credit"?

The word "credit" is derived from the Latin *credo*, "I believe." In its generally understood business use, credit may be defined as "the power to obtain goods or service by giving a promise to pay money (or goods) on demand or at a specific date in the future."[1] Hence a retail merchant who has established such relations with a wholesale house

[1] Johnson's *Money and Currency*, p. 9.

that he is able to obtain goods on the tacit promise that he will pay for them within thirty days is said to have credit with that wholesale house. The customer who has a charge account at a retail store possesses the power to obtain goods on the implied agreement that he is to pay for them when the bill is rendered. This power is called credit. It usually may be withdrawn or limited at the discretion of the grantor so far as he himself is affected by it.

Credit has also been defined as confidence reposed in the ability and intention of a purchaser of merchandise (or service) or of a borrower of money to make payment at a specified or indefinite time in the future. In other words, it is the confidence expressed by the creditor (the one who grants the credit) in the moral hazard and the financial condition of the person or organization seeking the credit.

Practically the entire structure of business is based on credit. The customer of a retail store requires credit when he makes purchases, so that he may have time to save or earn enough money to pay for them. The retailer requires credit when he makes a purchase, so that he may have some time in which to sell his goods to and collect from his customers and thus be enabled to pay the wholesale or jobbing house. The wholesaler or jobber must be allowed sufficient time to collect from the retailer, so that he can pay the manufacturer. The manufacturer must obtain time from those from whom he buys his materials, or must secure credit at the bank. In view of the fact that approximately 85 per cent of the business transacted within the

United States is conducted on a credit or "I-trust-you" basis, the importance of the subject of credit can easily be realized.

The Work of the Credit Man

Every time a business house grants credit to a customer, or, in other words, gives him the power to obtain goods or service on his promise to pay for them in the future, it assumes a certain amount of risk, for if it later turns out that the customer cannot or will not pay what he owes, the concern that granted the credit is usually forced to take a loss. To protect the house from such losses requires that somebody in the house should supervise all matters concerned with the risks involved. This supervision constitutes the work of the credit manager.

At the very beginning of this discussion on the work of the credit man, it is quite necessary to have in mind the fact that the fundamental purpose of all trade is to make profits. As increased profits usually result from more sales, it is the duty of the credit man to help these sales to be made—not to prevent or obstruct them, as he so often does if he has the mistaken impression that his sole duty is to keep credit losses down to the lowest point. It is not very difficult to reduce bad debts to a minimum, provided the credit man were to decline all but A1 risks. Such a policy, however, would cause the loss of many sales and would, accordingly, be a serious obstacle to the accomplishment of the main purpose for which the business is being carried on—*i.e.*, of making profits from sales. The good credit man,

therefore, not only should be keen to detect unsafe risks, but also must remember that the taking of legitimate risks is the life of trade.

From the observations made in the foregoing paragraph, it becomes apparent that the chief duties of the credit man are as follows: (1) to keep down losses; (2) to assist in increasing sales. His performance of the first-named duty should not react unfavorably upon the second, but both should be so performed together that the result will be a minimum of losses with a maximum of sales.

Assisting in Increasing Sales

The credit man can assist in increasing sales (1) by co-operating with the efforts of the sales department and (2) by building up good will among the customers. With respect to the first point it should be said that oftentimes friction exists between the sales and the credit departments because of misunderstanding. The sales department considers that the credit department is too strict in granting credit to new accounts, with the result that much new business is rejected. On the other hand, the credit department often feels that the sales department does not fully realize the fact that a new customer has to meet certain requirements before credit can be granted. The credit man should do his share to remove or prevent this friction from arising by being as lenient in passing on credit matters as is consistent with good practice, and should take pains, in case credit is denied, to explain to the sales department why such action was necessary. Oftentimes, indeed, he has the opportunity of soliciting the

cash trade of the customer to whom he has denied credit privileges.

The second way in which the credit man can assist in increasing sales is by building up good will among the customers. He can do this by being courteous and helpful in his treatment of customers. Such treatment will win their respect and friendship, with the result that the salesmen, instead of being compelled to overcome an animosity caused by inconsiderate treatment, find that their work of selling to the customers is made easier.

Capital, Capacity, and Character

Before the credit man will grant credit to a customer he wants to feel reasonably confident that the customer will pay his bill when it becomes due, or matures, sometime in the future. To feel so, it is necessary that he should be satisfied as to the assets, prospects, and good intentions of the customer.

In making his decision as to whether credit should or should not be extended, he relies chiefly upon the following three types of information regarding the customer: (1) the financial condition of the customer—*i.e.*, the amount of assets that can readily be converted into cash and the amount of outstanding debts or obligations, etc.; (2) the ability of the customer to do business—*i.e.*, his business experience, skill, and knowledge, the location of his business, the kind of business, the volume of business, etc. (in the case of a customer of a retail store, his salary or ability to earn); and (3) the present and past reputation of the customer with regard to honesty,

fair dealing, moral conduct, etc. These three divisions of information used by the credit man are called the three C's of credit: Capital, Capacity, and Character.

The judgment of the credit man is based *conjointly* on the information regarding each of the three C's. In other words, he does not rely wholly on the net worth (the difference between the assets and the liabilities) of the customer, for the customer may have a reputation for dishonesty or slowness in meeting his obligations. All the factors must be considered together.

The Work Done by Letters

The credit man does a large proportion of his work through the use of letters: he uses letters to secure credit information from the customer, from his references, or from others; he answers credit inquiries by letter; he refuses and grants credit by letter; he informs the customer by letter that he is cutting down his order—these things and many more he does by letter. Indeed, it may well be said that the credit man carries on most of his activities by letter.

There are a number of reasons that the credit man carries on so many of his activities by letter. The most important of them are as follows:

1. The letter is usually the most convenient means in the majority of credit activities.
2. The letter insures privacy—an essential quality of any method of communication used for such a delicate matter as credit. This is the main reason that other and quicker methods are not commonly used.

3. The letter is a record in black and white, and is made a part of the permanent credit file of the customer.
4. The letter gives the credit man a certain valuable protection against fraud, libel suits, etc. (The relation of law to credit letters is discussed in Appendix B.)

Since such a large part of the work of the credit man is conducted by letter, the writing of credit letters demands a careful study both of the tone and style of the English used, and of the business policies involved.

Tone and Style of Credit Letters

The most important types of credit letters are those that are sent to customers, or to prospective customers. Such letters are naturally of greater consequence to the house than the letter, say, that makes credit inquiries concerning the customer. And it is in the writing of such letters especially that the credit man must take pains to avoid any tone that may cause offense or resentment.

One of the chief faults with many credit letters is that the tone used is cold, suspicious, or tactless. If it were the purpose of the credit man to drive away trade and create bitterness among his customers, he could accomplish his purpose in no better way than by the use of such tones in his letters. Such tones are usually the result of the fact that the credit man forgets that the fundamental aim of his house is to make profits, that everybody in the concern should help to make profits by getting more business, and that every letter should assist in getting business—not in repelling it.

Even though the credit man is refusing to grant credit accommodations or "a line of credit" to a

new customer, he should do so in a tactful, courteous manner, for it may still be possible to sell to the customer on a C. O. D. or other form of cash basis; or it may turn out later that the financial condition of the customer has changed for the better, in which case his trade may be desirable.

Let us consider this latter instance in more detail. Suppose that a credit man has tactlessly refused to grant credit to a small retailer who is just starting in business. The reason was that the difference between his assets and liabilities was too small to make the risk a reasonable one. Does the small retailer secure credit accommodations or an "open account" from some other wholesaler? In all probability he does not, but buys for cash from a competing wholesaler. If he later develops a large and prosperous business, it is not likely that he will give his trade (if he can help it) to the concern whose credit man refused him so undiplomatically—even though it would be glad now to extend credit. It can be seen, therefore, that a tactless letter in a case like this may cause the loss of a present cash business and of a future credit business.

"Business is sensitive and goes where it is best treated," is a saying based upon experience. And when it is considered that most persons are extremely sensitive to any reflections on their credit standing, one should not be surprised by the amount of damage that can be caused by a single poorly written credit letter.

In the writing of credit letters, the fundamental idea to bear constantly in mind is, *Consider the feelings of the reader.* Good credit letters are per-

sonal, friendly, and courteous. Whatever suspicions or doubts the credit man may have, he keeps them out of his letters. He guards his letters from negative suggestions or possible misinterpretations. Since, moreover, a smooth, polished style of writing is so helpful in getting the reader to accept a disagreeable fact, the credit man should develop such characteristics in his style.

Securing Information about Customers of Retail Stores

Customers of retail stores are usually very sensitive to any credit investigation that may precede the granting of a charge account. Unless the letter asking them for references is quite tactful in tone, they are likely to feel offended, because they do not always realize the necessity for credit investigation. They are likely to resent any attempt to find out about "their affairs." In fact, they often feel that such an attempt is an impertinence and a reflection upon their reputation.

The use of tact and diplomacy, accordingly, is especially necessary when the credit man is writing direct to the customer for references or other information. The customer should be made to feel that the giving of the information is merely a matter of form or a customary business routine through which every new customer goes. In order that he may receive that impression, it is helpful if the information form inclosed is printed.

Let us assume that the following letter has been received by the credit man of a department store in a large city:

32 Blank Street,
Blanktown, Pa.,
November 15, 1921.

Blank & Company,
215 Blank Street,
Blanktown, Pa.

Gentlemen:

I should like to open a charge account at your store.

Yours truly,
F. J. Moore.

The credit man finds that no F. J. Moore ever had a charge account at his store. And, except for the fact that F. J. Moore is listed in the city directory as "insurance agent," he is unable to secure any further information. Apparently the only source of information is F. J. Moore himself. Accordingly, it is necessary to write to Mr. Moore to obtain from him the desired information so that a decision can be made.

At this point a serious business mistake would be made if the credit man wrote a suspicious and tactless letter like the following:

Mr. F. J. Moore,
32 Blank Street,
Blanktown, Pa.

Dear Sir:

Your letter of November 15 inquiring about a charge account has been referred to me. In answer I desire to inform you that before we can open an account in your name it will be necessary that you supply us with references. If we find that they are satisfactory, we shall extend the privilege; otherwise not.

Yours truly,

In the letter given above, the credit man has made the common error of considering, or of allowing it to be inferred that he is considering, the prospective customer to be a suspicious character. Or, in other words, this credit man is of the type that considers a customer, asking for credit, as a suspicious character until later proved reliable by favorable information; not as innocent until proved guilty. And all this despite the fact that there is approximately only one chance out of ten that the customer is undesirable. Moreover, at the very time when it is easiest and most opportune to create a favorable impression on the customer (*i.e.*, at the beginning of business relations with a new customer), the credit man wrote a tactless letter that is almost sure to offend the customer.

Far better business is it to make this first letter cordial, so that the customer will feel that he is welcome, that the store is glad to receive his patronage. If later it is found from the applicant's references that an account cannot be opened, the credit man can diplomatically decline the request and still leave the way open for the customer's cash business.

The immediate purpose of this first letter is to secure information from the customer so that the credit man may be able to make his decision. Bluntness, indifference, or suspicion in the tone of the letter may so antagonize the applicant that he will not reply.

In this letter the credit man should ask specifically for the information he desires—usually the names and addresses of concerns with whom the

customer has had credit dealings. Of course, if credit information form is used, the customer is asked to fill it in and return it in the envelope that is customarily inclosed.

In the following letter notice how the points discussed in the preceding paragraphs are taken care of:

MR. F. J. MOORE,
32 BLANK STREET,
BLANKTOWN, PA.

DEAR SIR:

We were glad to receive your letter of November 15 in which you expressed a desire to have a charge account with us, and wish to thank you for the opportunity thus offered us.

In order that we may be in a position to extend to you our service in this respect as soon as possible, may we ask that you kindly give us on the accompanying form the usual information requested from our charge customers.

Yours truly,

If no credit form is used, the following type of letter may be used:

MR. F. J. MOORE,
32 BLANK STREET,
BLANKTOWN, PA.

DEAR SIR:

Thank you for your letter of November 15 in which you request that a charge account be opened in your name. We are always pleased to add responsible names to our books.

To facilitate the opening of the account, will you please note at the bottom of this letter the names and addresses of stores at which you have had charge accounts, and then return in the inclosed envelope.

Respectfully yours,

After the customer has returned the information form and has given the names of his references, the next step is to write to these references. The letter used in this instance is ordinarily a form letter, with the name and address of the customer filled in. Since the credit man is asking a favor, it is obvious that this form letter should be courteous. Moreover, every means possible should be taken to make easy the work of giving the desired information. A stamped and self-addressed envelope should always be inclosed.

GENTLEMEN:

We shall be much obliged to you if you will kindly inform us as to the financial responsibility of *F. J. Moore, of 32 Blank Street*, who desires to open a charge account with us and who has referred us to you.

If at any time we can assist you with information, we shall welcome the opportunity.

Very truly yours,

If the credit man desires for his records something more than a general "his record with us has been satisfactory," he will need either to ask specific questions in his letter (these questions may appear in the body of the letter, below the signature, or on the back of the letter), or to inclose a credit information form to be filled in and returned by the reference.

GENTLEMEN:

F. J. Moore, of 32 Blank Street
desires to open an account with our store and has given your name as a reference.

Your courtesy in answering the questions given below will be appreciated. We shall be glad to reciprocate it any time.

Yours truly,

(Please fill out and return as soon as convenient.)

1. Has he an account with you now?.....
2. How long has he had the account?.....
3. How does he pay? Prompt..... Medium..... Slow.....
4. Has he ever given you trouble to collect?.....
5. What limit have you placed on the account?.....
6. Special information.....

Securing Information about Retail Stores

When a customer desires to secure credit accommodations at a retail store, he usually makes a definite application in person or by letter; but when a retail store wishes to buy from a wholesale or jobbing house on a credit basis, it often merely sends in its order. This order, like all other orders that are received, comes before the credit man for his "O. K." before it is passed on to the order department.

Upon receipt of the order, and as soon as he learns that it is from a new customer, the credit man looks up the rating of the customer in any one or several of such well-known rating books as Dun's, Bradstreet's, and those issued by various mercantile associations. If he finds that no rating appears, or that the rating given is unsatisfactory, or if he decides to secure more information from the applicant himself, he will write a letter asking the customer to supply the needed information. Although the retail merchant is not so sensitive to credit inquiries as is the customer of the retail store, care should be taken not to offend. The same reasons

regarding the value of making a pleasant and favorable impression upon the new customers on this occasion, apply to letters to retailers as well as to letters to the customers of retailers.

The letter given below shows how *not* to write a letter requesting information. Its tactlessness and bluntness are almost sure to give offense. Is it to be wondered at that the recipient of such a letter is likely to give his trade to a competing wholesaler?

[The facts: The wholesaler has received an order from C. M. Meyer & Brothers, of New Britain, Conn. No firm of this name is listed in the rating books available to the credit man. Hence, he is forced to write to the customer to secure the necessary information.]

C. M. Meyer & Brothers,
New Britain, Connecticut.

Gentlemen:

Your order of January 14 received. As we have not been able to obtain from rating books any information concerning your ability to pay for bills you contract, we do not feel warranted in taking the risk of shipping your order on open account unless you can supply us with satisfactory references. So we are asking you to let us have the names and addresses of at least three wholesale houses or jobbers with whom you are doing business.

If the reports are all right, we will ship your order.

Yours truly,

The Same Situation Handled in a Better Way

C. M. Meyer & Brothers,
New Britain, Connecticut.

Gentlemen:

We were glad to receive your order of January 14 amounting to $64 and are anxious to ship this order to you as soon as possible.

Since our records show that we have not heretofore been favored with your orders, and since it is the custom among business houses to secure from a new customer information on which to base its credit terms, we ask that you kindly fill in the credit information form inclosed and mail it back as soon as convenient. This information, of course, will be held strictly confidential.

We are naturally pleased to know that you have selected us to supply you with your needs in this field and assure you that we shall endeavor to give them prompt and careful attention.

Yours truly,

Sometimes it is advisable to include in the letter a short sales-talk about the goods ordered. This talk often accomplishes a twofold purpose: (1) It takes off any sharp edge in the letter; (2) it creates a stronger desire for the goods. Such talks are usually secured through the co-operation of the sales department.

GENTLEMEN:

Thank you for your order of February 26 for two dozen luminous watches amounting to $24. We shall try to handle this order in such a manner as will merit your approval and be the means of further extending our business relations.

You will find that we are always desirous of helping a dealer to push his stock and to this end we have prepared various kinds of window-trim and counter-display advertising material. By using these helps you will tie up with our national magazine advertising and thus should secure your full share of its benefits. A generous supply of this advertising material will be shipped with your order.

We believe we have as yet no definite understanding concerning the opening of an account in your name, but we assure you that haste will be made in every businesslike way to pass upon the matter so that your order may be cared for as soon as possible.

As you know, the rules of all responsible wholesale houses require that proper information be secured before they can offer credit accommodations. This information can usually be obtained most easily from references. If you will be kind enough to send us the name and address of your bank or wholesale house, we shall make the necessary inquiries as quickly as possible. We believe that the result will be satisfactory. May we hear from you by return mail?

Yours truly,

After the retail store has responded and has given the names of references, the next step is to write to these references for the desired information. The observations made regarding letters to the references of customers of retail stores hold good here also. Shown below is a typical form-letter used:

GENTLEMEN:

The Blankville Jewelry Co., of 215 West Main Street, Blankville, N. Y., desires us to extend credit accommodations to them and has given us permission to refer to you.

We shall therefore appreciate your courtesy in filling in the inclosed credit information form and mailing it to us in the inclosed envelope. All information will be considered strictly confidential.

Very truly yours,

If the inquirer has no credit information form to send, it is advisable that he should ask definite questions, as shown in the following letter:

GENTLEMEN:

We desire to secure information concerning the financial responsibility of *The Blankville Jewelry Co., of 215 West Main St., Blankville, N. Y.*, who have given us your name as a trade reference.

We shall therefore appreciate it if you will inform us regarding your own experiences with this concern by filling in the desired information below and returning this letter to us in the inclosed envelope.

All information, of course, will be held in confidence and will be for our own use. We shall be glad to be of similar service to you at any time the opportunity presents itself.

Yours truly,

1. How long have you sold this account?.....
2. On what terms?.....
3. Highest recent credit?.....
4. How much do they owe you now?.....
5. How much is past due?.....
6. How do they pay?.... Prompt?.... Fair?.... Slow?....
7. Have you had trouble in collecting?.....
8. Other information that you think will help us.....

How Banks Secure Credit Information

Negotiations between a bank and a customer seeking a loan or a line of credit are usually conducted by means of personal interviews. The applicant for the loan customarily brings with him a detailed statement of his resources and liabilities—or is asked to make one out. With this statement before him, the credit man at the bank may tactfully ask further questions in order that he may more fully shape his judgment of the situation.

When the applicant for credit has been asked to supply trade or bank references, such references are written to as shown in the following letter:

Bank's Letter to a Trade Reference

GENTLEMEN:

We shall appreciate it if you will be so good as to give us the benefit of such experience as you may have had with *F. B.*

Kalem Manufacturing Co., of East Pittsburgh, Pa., with which company we have been given to understand you have had dealings.

We particularly desire to know the terms on which it buys, the maximum amount involved, and its usual manner of settlement.

Any further information that you may be pleased to give us bearing upon the standing of the personnel of the management and the credit of the company will be valued and, of course, treated as strictly confidential.

If we can be of assistance to you in a similar matter, we shall be glad to extend like courtesies to you.

Yours truly,

Bank's Letter to a Bank Reference

GENTLEMEN:

As we are at this time seeking to add to our credit file on the *F. B. Kalem Manufacturing Co., of East Pittsburgh, Pa.*, we shall be obliged to you if you will give us the benefit of such experience as you may have had with the company or its management.

We shall appreciate your telling us confidentially what line of credit you have established for this company and whether or not it has been used continually. Any further information that you may consistently give us concerning the standing and credit of the company will be gratefully received and, of course, treated as strictly confidential.

We shall be glad to reciprocate your courtesies at all times.

Yours truly,

Banks usually perform a large amount of credit investigation work for their depositors. For instance, a wholesale house at Chicago is desirous of securing additional information about a customer at Peoria, Illinois. It asks the bank at Chicago in which it maintains its deposit to get the information.

Name (Corporate Style).....

Business ..... Location.....

Branches.....

To THE LIBERTY NATIONAL BANK OF NEW YORK.

For the purpose of procuring credit from you from time to time, direct or otherwise, we herewith submit the following true and accurate statement of our resources and liabilities as shown by our books on _____ and unless we notify you of any change which reduces materially our pecuniary responsibility, you may continue to rely upon the figures herein set forth.

In consideration of the granting of such credit we agree that should we make a bill of sale, a mortgage or other transfer of a considerable portion of our property without due notice to you, or should our stock be attached, or should we make an assignment for the benefit of our creditors or should a petition in bankruptcy be filed by or against the company, then all and every claim you have against us shall become at your option immediately due and payable.

ASSETS				LIABILITIES			
Cash				Creditors:			
Customers:				On Open Accounts			
On Open Accounts				Notes Payable for Mdse.			
On Notes Receivable.....				Notes Payable to Banks.....			
Controlled or allied concerns:				Notes Payable to Others.....			
Notes, Accounts Receivable, etc.....				Other Current Debts: (Itemize).....			
Merchandise							
Manufactured.....							
Unmanufactured...							
Plant and Machinery.....							
Furniture and Fixtures				Mortgage Debt—when due.....			
Real Estate (Full Value—Mortgages entered in Liabilities).....				Bonded Debt—when due.....			
Other Assets (Itemize)				Capital:			
.....				Preferred...			
.....				Common.....			
.....				Surplus			
.....				Undivided Profits.....			
.....				.....			
Total				Total			

Between the date of the above inventory and the present time we have had no serious losses through bad debts or otherwise (except) .....

and our condition today is fully as good as set forth by the above figures.

Sales for Year.....				Dividends (paid or declared) Preferred.....			
Gross Profit.....				Common.....			
Net Profit.....				Depreciation charged off.....			
Other Income (Specify).....				Amount carried to Reserve.....			
.....				Amount carried to Surplus.....			
.....				.....			

OVER

CREDIT INFORMATION FORM USED BY A BANK

The Chicago bank will then write to its corresponding bank at Peoria somewhat as follows:

GENTLEMEN:

We are desirous of procuring for outside reference purposes close information concerning the Blank Company of your city and shall appreciate your courtesies in this matter.

We wish especially to learn your opinion of the desirability of the trade of this company.

Any information you may be pleased to give us bearing on the general standing and financial responsibility of the company will be appreciated and held in strict confidence.

Please be assured that, if at any time our organization can be of service to you or to your associates, we shall be glad to have you call upon us.

Very truly yours,

Answering Credit Inquiries

Practically all business organizations are constantly being called upon to answer credit inquiries concerning other business houses or individuals. The credit men of some of these organizations consider such inquiries to be a nuisance. But when it is understood that if business organizations and credit men do not co-operate in the matter of exchanging credit information, all business carried on by credit will suffer, it will be realized why the efficient answering of such inquiries is not only a courtesy, but a duty as well. If a credit man does not answer promptly and efficiently the inquiries that come to him, how can he expect that other credit men will answer his inquiries?

All inquiries made by responsible business organizations should be answered promptly. The an-

swers should be frank, conservative, truthful, concise, complete, and should be based on facts—not on hearsay. Answers that also contain the writer's own opinion of the risk are usually more valuable than those which contain only cold facts.

The main fault with many of these answers is that they are often noncommittal and, hence, not helpful. They give a report that is neither favorable nor unfavorable, and the inquirers know little more after they have read them than before. If the credit man from facts in his possession believes that the risk is a fair one, he should say so in so many words. He is not guaranteeing his opinion—he is merely expressing it. If, on the other hand, he believes that the condition is unsatisfactory, he should be guarded in the statement of his opinion, but at the same time should let the reader see that the report is not favorable.

The letter that is given below is typical of the kind of letter used by a retail merchant to answer an inquiry of another retail merchant regarding the responsibility of a customer:

Favorable Reply to Inquiry

GENTLEMEN:

In reply to your letter of November 17 in which you inquire concerning the responsibility of F. J. Moore, of 32 Blank Street, we are glad to help you with the following information.

Mr. Moore has had a charge account with our store during the past four years. Our records show that he has always met our bills in a satisfactory manner. His account is noted for a monthly limit of $200, but he has never reached it.

Our own experience is that Mr. Moore is a desirable customer.

8 Yours truly,

When the report is unfavorable in nature, it is usually advisable to omit the name and address of the customer, so that if the letter should be read by or get into the hands of an outsider no damage will be caused the customer. Refer to the customer by initials and give the date of the letter of inquiry.

Unfavorable Reply to Inquiry

GENTLEMEN:

Upon consulting our records and files concerning Mr. F. J. M., about whom you inquired in your letter of November 17, we find that our experience with this account has been rather unsatisfactory.

We find that during the past four years in which he has had an account with us he has caused us considerable trouble with respect to his payments. At the present moment he owes us $167 for purchases made approximately five months ago, to recover which amount we have instructed our attorneys to institute legal proceedings.

We hope that this information will be of assistance to you.

Yours truly,

Requests from one wholesale house to another for credit information about retailers or large consumers usually require that more details be given than is the case with customers of retail stores. This statement is so because of the larger risk involved, and because it is necessary that the information concerning the responsibility of the customer should cover more than his record of making payments, which is usually sufficient in the instance of a retail customer.

A Favorable Reply to an Inquiry

GENTLEMEN:

In reply to your inquiry of February 28 concerning our experience with The Blankville Jewelry Co., of 215 West Main Street, Blankville, N. Y., we wish to inform you that we have been selling to this customer on open account during the past three years.

During the past year, the highest credit extended amounted to approximately $800. Our records for the past year also show that this customer has consistently discounted our invoices on terms of 2–10. From this information our impressions are very favorable and we do not hesitate to extend credit for ordinary requirements in our line.

We hope that the foregoing information will be helpful.

Very truly yours,

Concern Not Strictly First-class

GENTLEMEN:

We hasten to answer your letter of February 28 in which you ask for information concerning the financial responsibility of The Blankville Jewelry Co., of 215 West Main Street, Blankville, N. Y.

It happens that we only recently received from this company its new financial statement, which shows that the company has improved its condition over last year's, although the statement still does not show the sought-for ratio of two to one. The recent statement discloses quick assets of something like $18,000 as against current liabilities of about $13,000.

This account has been with us for three years and has been allowed as high as $800; but in view of the fact that payments have not been strictly prompt, we have always carefully watched the progress of the company.

The manager and chief owner in the business is Mr. R. P. Snow, who, according to reports gathered by our salesmen, is well thought of in Blankville.

We feel that the risk ought to be fair for small needs, although, until the company does get itself into a better financial condition, the risk cannot be classified as strictly first-class.

Yours truly,

An Unfavorable Report

GENTLEMEN:

In answer to your request of February 28 for information concerning our experiences with the company mentioned, we hope that the following information will be of help.

We have been selling this account for the past three years and, up to five months ago, have allowed credit accommodations as high as $800. Our records show that the manner in which this customer has met its obligations with us has always been unsatisfactory.

Last September we were obliged to place the account in the hands of attorneys in order to protect ourselves. Since then we have sold the account several small orders on "cash before delivery" terms.

We have given you a frank statement of the situation and, of course, shall rely upon your treating it in strict confidence.

We assure you of our pleasure in serving you.

Yours truly,

Banks must be especially careful of the letters they write giving credit information, because of the fact that such letters, coming, as they do, from banks, carry a great deal of weight. Hence, the credit man of a bank is, if anything, a little more conservative and cautious than is the credit man of a mercantile establishment. Shown below are letters written by a bank in reply to credit inquiries:

[The facts: A customer who is considering the purchase of some commercial paper of the X. Y. Z. Silk Manufacturing Co.

of New York has asked his bank in Chicago to investigate. The Chicago bank has written to its corresponding bank in New York and has received the following letter.]

GENTLEMEN:

We take pleasure in supplying you with all our available information concerning the X. Y. Z. Silk Manufacturing Co. of New York as requested in your letter of April 12.

This company has been engaged in the silk manufacturing business for approximately twenty-one years. According to reports received from good sources, we learn that it has long been conducted on a profitable basis. The personnel of the organization is made up of men of long experience in the field, who seem to enjoy a good personal standing.

Our investigation has disclosed the fact that the company consigns its merchandise for sale to two of the large and reputable commission houses in New York City. So far as we have been able to ascertain, the only reason that this company does not consign its merchandise to any one commission house is simply because it feels that by its present arrangement it can secure a much better market for the sale of its products.

Investigation discloses the fact that the agreement which this company has with its two commission houses provides that it may at any time secure an advancement on its consigned merchandise up to 66⅔% of the market value. Despite this agreement, we find that the company has not requested any advancement for some little time past. Moreover, despite the fact that the agreement also provides for the discounting of sales, we are informed that company has not made full use of this privilege.

We have been informed that the company at the present time has to its credit with its commission houses cash balances in excess of $100,000. Since this latter information has been given to us in confidence, we request that you treat it likewise.

A thorough investigation that we instituted on your behalf in the raw-silk trade discloses the fact that the company is enjoying excellent credit and standing. In some instances, the obligation involved runs up to $50,000, but in all cases that have come to our attention these obligations are being retired in a wholly satisfactory manner, for the company is taking advantage of its discount privileges in each instance.

The banks with which its accounts are lodged report satisfactory relations and extension of substantial credit lines from time to time. These banks also report that the obligations are satisfactorily taken care of.

Although we do not personally believe that a manufacturer who consigns his merchandise for sale on a commission-house arrangement, as that outlined above, should be encouraged to sell its notes through brokers, yet in this particular instance we feel that an exception might be made, as it appears that the only reason the concern is using this method to raise funds is in order to avail itself of lower interest rates.

Very truly yours,

The letter that follows is an unfavorable answer to an inquiry. In the next to the last paragraph note how the credit man of the bank expresses his warning.

GENTLEMEN:

In compliance with your request of October 8, we are now pleased to inform you of the result of various inquiries instituted in your behalf concerning the company mentioned.

It appears that the gentlemen in whose hands the welfare of this enterprise rests have not had very successful careers personally. Some of our informants frankly question their ability to carry out successfully a business of the type concerned. This belief seems to be borne out by a comparison of annual statements which disclose a consistent increase in liabilities and a consistent decrease in net responsibility.

Under the circumstances uncovered by our inquiries, we should personally be inclined to proceed with caution in any business transaction that we might enter into with this company.

We sincerely hope that this information may be of assistance to you and your associates.

Yours truly,

Granting Applications for Credit

After the credit man has decided to grant credit to the applicant, it is usually necessary that he so

notify the customer by letter. Instead of permitting this letter to be a commonplace sort of routine letter, the credit man can make it a splendid opportunity for "tying-up" the customer to the house through the good will expressed in the letter.

In the case of a letter notifying a customer of a retail store that his application for a charge account has been granted, it is advisable that the letter should be cordial and pleasant, that it should express the appreciation of the store for the account, and should inform the customer of the terms of payment and of the method of charging.

In the letter given immediately below, note the failure of the writer to grasp his opportunity. The letter is hackneyed and lifeless, and builds no good will.

Poor Letter Granting Application of Retail Customer

DEAR SIR:

We beg to inform you that we have opened a charge account in your name. Please note that bills will be rendered and will be due on the first of each month for goods bought during the preceding month.

Yours truly,

A Better Letter

DEAR SIR:

We are pleased to notify you that, in compliance with your request, a charge account has been opened in your name.

At the beginning of our new business relations, we wish to assure you of our efforts to give satisfaction, both with our goods and with our service.

Whenever you purchase an article, it is only necessary that you inform the sales person waiting on you that you have a charge account—and then give your name and address.

As is customary in our business, a statement of purchases made during the preceding month will be rendered and will be due on the first of each month.

We are awaiting with pleasant anticipation the pleasure of serving you.

Cordially yours,

Sometimes the references fail to respond promptly, with the result that the credit man is unable to pass upon the application. This delay is so likely to offend the customer, who often expects immediate action, that when the accommodation is at last offered to him, he refuses it. Because of this, it is advisable that the credit man write a different type of letter from that shown immediately above.

DEAR SIR:

Permit us to offer our apologies to you for the delay in notifying you concerning your application for an account at our store.

We are pleased to inform you that this account has now been opened and we shall be glad to charge your purchases at any time.

Bills are rendered and are due at the first of each month.

We are looking forward to the pleasure of serving you in the near future.

Cordially yours,

In writing to a new customer whose references have made favorable replies, the credit man of the wholesale house has the same opportunity as that described above relating to customers of retail stores. Such a letter should be more than a mere

statement that the order has been accepted and a credit line established; it should attempt to create good will and thus co-operate with the efforts of the sales department.

Poor Letter Extending Credit to Wholesale Customer

DEAR SIR:

Your order of January 15 has been accepted, and we expect to make shipment within four days. Please note that our regular terms are 2% 10 days, net 30.

Very truly yours,

A Better Letter

GENTLEMEN:

It gives us pleasure to inform you that as a result of our inquiries everything we have heard about you has been so favorable that we consider ourselves fortunate to receive your trade. We are therefore extending to you our most favorable terms: 2% 10—net 30. We trust that our business relations will prove mutually advantageous and beneficial.

Your order is now being made up at the factory and will be shipped by freight on or about February 2.

At this time we wish to assure you that we are always desirous of assisting our dealers in pushing their goods. We are therefore mailing to you in another envelope a complete mail-order campaign which has already proved itself a successful means of securing the paint business of farmers. We certainly believe that if you will make use of this campaign it will be very helpful in increasing your sales.

Permit us to thank you for your order and to hope that this will be but the beginning of a strong business friendship.

Very truly yours,

Refusing Credit

It is a comparatively easy task to write a letter that grants credit; but it is extremely difficult to

write a letter that refuses credit. The difficulty arises because of the fact that the good credit man attempts to leave the way open for possible future business. The financial condition of the applicant may later be such that his trade will be desirable.

The letter that refuses credit should be cordial, tactful, and persuasive. Nothing is to be gained by a tactless, discourteous tone—and much is to be lost.

Credit is refused to customers of retail stores usually for one reason only—*i.e.*, a bad personal reputation concerning the payment of bills. Even in declining credit accommodations in this instance, it is advisable not to offend the customer, both because his cash business is still desirable, and because there is no need of going out of one's way to make an enemy.

Letter Refusing Credit to a Retail Customer

DEAR SIR:

Please accept our thanks for the names of references contained in your letter of March 21.

We are indeed sorry to inform you, however, that at the present time we are unable to see our way clear to extending the charge account about which you so kindly inquired.

Although the information we have been able to secure has been favorable to you personally, yet it has not fully come up to our rather strict credit requirements. In all probability you will be able to meet them in the near future. In the meanwhile, we sincerely hope that you will be disposed to accept our cash terms.

Very truly yours,

The credit man of the wholesale house must be just as diplomatic in declining requests for credit,

for he, too, should strive to secure the trade of the customer on a cash basis "for the time being," and to keep his good will. Note the advice that is given in the following letter:

Dear Sir:

Thank you very much for your promptness in replying to our letter of May 12, in which we requested information from you with regard to the condition of your business.

A careful study of the facts with which you have supplied us discloses, we are sorry to say, that your business seems to be somewhat under-capitalized. We appreciate, of course, that you are just starting in business and that it is only a question of time before you will have put back into your business enough of your profits to make the proportion between your assets and liabilities what it should be.

All information that we have secured about you personally is favorable, but we are frank in advising you that it would be to your advantage to obtain and put into your business more capital. We give you this advice because we feel that you are the kind of man who will take it in the spirit in which it is offered and because our experience has shown us that it is always wise for a man entering business to have a reasonable cash surplus to draw on in case business conditions should become unfavorable.

Accordingly, we regret to say that unless you can secure more money for your business, say $1,000, we shall be unable to grant you our usual credit terms. Until then, may we urge you to favor us with your orders for your present needs on our favorable cash terms of 2%.

Cordially yours,

Another disagreeable and difficult situation to handle arises when the credit man is forced to refuse credit to a regular customer because of the difficulty that he has experienced in collecting the customer's accounts in the past. Again it is necessary to use

tact, courtesy, and friendliness so that the customer may not become offended.

DEAR SIR:

First of all, let us thank you for your order of November 21 which was received this morning.

We are sorry to inform you, however, that our records indicate that your obligations have not been taken care of in a wholly satisfactory manner in the past. We think it advisable, therefore, that we request you to remit cash for this order which we are now holding.

From orders that you have given us in the past and from this present order it appears that you are finding quite a little demand for these goods and there is no reason why you should allow yourself to be deprived, by this little matter of credit, of the profits that can be secured. Just send your check in advance payment for your order, or give us permission to ship C. O. D. We feel sure that you will oblige us.

Very truly yours,

In the letter shown below, the credit man of a bank is declining to continue credit accommodations with a customer unless the customer consents to new terms.

DEAR SIR:

You have doubtless received the telegram we sent you late yesterday afternoon in reply to your letter of June 16 inclosing a note for $25,000 and check for $25,005. This telegram read as follows:

> "Letter 16th with inclosure received. We prefer payment $25,000. Are writing."

This notification is due to circumstances which may perhaps be known to you. In the first place, one of the guarantors of your obligations has signified in notarial form the wish to annul and cancel his guaranty without giving any explanation. Furthermore, we understand that in the case of some of your other loans

you are pledging some of your assets. These facts necessarily alter the credit given you.

As there were sufficient funds to your credit, we have charged up the note and it will be returned to you with your other debit vouchers. We are returning the check inclosed, as we did not use it.

So long as the present conditions remain, we shall have to ask you to arrange for the retirement of your other notes at maturity. We shall be glad, however, to consider the matter of establishing a new line of credit upon mutually agreeable terms. Necessarily these must be consistent with those you have made with other bankers.

We trust you will see your way clear to readjust the situation in this way, and thus make the present inconvenience merely temporary. You can count upon us for our hearty co-operation.

Very truly yours,

PROBLEMS

1. Assume that you are working in the office of a retail shoe store of your city. To-day you receive a letter from Mr. J. M. Blank, of 56 Blank Street, requesting that a charge account be opened in his name. Assume further that the only source from which to secure credit information is Mr. Blank himself.
   (a) Write to Mr. Blank and ask him to furnish you with the names of stores with which he already has a charge account, or, in lieu of that, to give you the names of two persons to whom you may refer.
   (b) Mr. Blank, by return mail, supplies you with the names of two stores as references. Write to these stores and ask for the necessary credit information concerning Mr. Blank.
   (c) The stores to which you wrote reply that Mr. Blank is a satisfactory customer. Write the letter to Mr. Blank that informs him that an account has been opened in his name.
   (d) Assume that the information is such that you decide not to grant Mr. Blank's request. Write the letter declining to open the account.

2. Assume that you are employed in the credit department of a wholesale house. To-day you receive a letter from Mason & Andrews, a wholesale house, of Pittsburgh, Pennsylvania, who request to be informed of your experience with George Barr & Sons (retailers), of Duluth, Minnesota. Upon consulting your credit records, you find that George Barr & Sons have been customers of your house for five years. Their credit limit is now fixed at $1,000; they have always been prompt in meeting their obligations. Write the letter in answer to Mason & Andrews' inquiry.

3. The First National Bank of Bridgeport, Connecticut, has written to Webster & Co. (a wholesale house) for credit information concerning Blank & Blank (retailers), who are customers of Webster & Co. Assume that you are in the credit department of Webster & Co. An examination of your credit files discloses the fact that Blank & Blank have been customers of your house for only two years. At first they were given a credit limit of $500, and paid their bills promptly. About six months ago, however, your house was forced to discontinue selling to them on open account because of collection difficulties. Since then you have sold them several small orders C. B. D. (cash before delivery). Write a letter to the First National Bank in which you supply them with the necessary information.

CHAPTER V

Collection Letters

The Purpose of the Collection Department

Practically all business organizations that grant credit to customers are compelled to maintain a collection department (or have some one who performs the functions of this department), because not all customers pay promptly the bills they have contracted. Even many good customers need to be reminded that they are delinquent in taking care of their obligations. Human nature is such that among the customers who have purchased goods or services on a credit basis there are usually some who are forgetful, some who put off until "to-morrow" what they should do to-day, some who overestimated their ability to meet their obligations when they fell due, some who through sickness, bad business, or other unforeseen occurrence are unable to pay, and some who never had any intention of paying their just debts. To secure payment of bills that are overdue because of these and many other reasons is the purpose of the collection department.

In most of the large organizations the credit department and the collection department are united into one department—the credit and collection department—because of the necessity for an efficient

linking together of the functions of the two departments. The purpose of both departments is to save their business organization from financial loss: the credit department by assuring itself that the risk taken in granting credit to a customer is a reasonable one; the collection department by securing payment of any bill that is overdue. Both supplement the work of the sales department by taking the proper steps to insure that the money shall be forthcoming for all goods or services that are sold on a credit basis.

In the preceding chapter on credit letters it was pointed out that the fundamental purpose of any business is to make profits, that increased profits usually result from increased sales, and that, accordingly, the work of every department or individual in a business organization should be performed with a view to assisting in increasing sales directly or indirectly. It was then shown, in conformity with this theory, that the best credit man is not he who merely has the lowest percentage of losses, but he who has the minimum of losses with the maximum of sales. Similarly is it true that the best collection man is not he who merely has the greatest percentage of collections, but he who secures the maximum of collections with a resulting minimum loss of trade.

It is easy to perceive the soundness of the foregoing observation, for, were the case otherwise, the veriest beginner in collection work could, within a comparatively short space of time, secure payment of approximately ninety-nine and a fraction per cent of all overdue accounts merely by sending to all the delinquent debtors a drastic letter threatening legal

action. Practically all debtors would immediately pay their obligations, but—and this is the point—practically all of these same customers would at the same time discontinue their trade.

Why Collecting Is Difficult

To collect the overdue accounts but still not offend the customer is therefore the problem that makes the work of the collection man difficult. And just as the credit man who is too strict in his credit requirements repels and loses trade for his house, just so does the collection man who is too drastic in his collection methods drive away and lose business.

At the same time the other side of the problem should not be forgotten. The collection man who is too lenient in his methods will fail to collect sufficient funds to enable his own concern to meet its obligations properly. Moreover, customers soon come to know which concern is lenient and which concern will insist that its bills be met promptly, with the result that they pay the latter concern and let the former wait for its money. The problem, therefore, can only be solved by maintaining a nice balance between collecting as many of the overdue accounts as possible and as quickly as possible, and losing as few customers as possible.

To bring the problem home to you, let us assume that you are the owner of a retail store. Among your customers is a man who, according to your records, gives you trade amounting to about five hundred dollars a year on the average. This amount means a gross profit of possibly one hundred and fifty dollars. Suppose, further, that it is brought to

your attention by your bookkeeper that the account of this customer is sixty days past due and that he has not responded to the bills or statements sent him. What now are your feelings? You find that you are torn between the desire to get the money that is due you and the thought that the customer might be offended if you wrote him an urgent letter, and that you might, as a result, lose his valuable trade. But no matter how pressing your need for money, you certainly would not write this sort of letter:

DEAR SIR:

I have already notified you several times that your account for April amounting to $64.75 should be paid. You can't expect me to carry this account indefinitely.

I need the money in my business and I intend to get it even if I have to resort to legal measures; so send your check for this amount by return mail.

Yours truly,

Such a letter would not only cause the customer to withdraw his trade from your store, but it might so enrage him that out of sheer obstinacy he would put you to as much trouble as he could to collect the bill. Rather would you write a letter that attempts to keep him friendly and tries to persuade him to pay now. Such a letter as the following has a much better chance of success and of "getting the honey without killing the bee":

DEAR SIR:

Your attention is again respectfully directed to your bill of $64.75 for articles purchased during the month of April.

You can readily realize the amount of inconvenience and trouble we are put to when, through oversight, a customer of ours forces us to be bringing constantly such a matter to his attention.

We feel that since this condition of your account has now been brought to your notice in a personal way you will immediately take steps to remedy it.

We shall therefore appreciate receiving your check by return mail.

Yours truly,

Only if one is able to imagine that he is the owner of a business and hence is able to realize that he has just as strong a desire to hold the trade of his customers as to collect the money owed him, will one write collection letters in which the proper balance is kept between these two desires. The chief fault with most collection letters is not that they are too lenient, but that they are tactless and too severe—that they are written, in other words, by persons who have little, if any, interest in holding the trade of the customers to whom they write.

If you should ever work in the collection department of a wholesale or jobbing house, you would do well to talk with the salesmen of the house. From them you could learn of the animosity created, the bitterness engendered, and the sales lost by the drastic and tactless collection letters that are so often written to customers.

The Importance of Letters in Collection Work

The two most commonly used methods of collecting overdue accounts are (1) by letter and (2) by personal calls. Other methods are used, to be sure, such as the telephone and the telegraph; but these methods are not used frequently, although the telephone companies themselves, for example, rely to a large extent upon interviews with the delinquent subscribers over the telephone.

Collecting by means of personal calls is more commonly used by the wholesaler than by the retailer. In fact, some wholesale houses rely almost wholly upon their salesmen to make the necessary collections from their own customers. This is so because of two reasons: No extra expense is incurred; and the salesmen, knowing their customers as well as they do and knowing that future sales must be considered, make good collectors. In the ordinary retail trade, however, personal collectors are not commonly made use of because retailers cannot afford the expense of sending personal representatives to collect their small bills and because of the unpleasant publicity that so often accompanies personal calls of this nature and the resulting injury to the customer's good will. In the installment business, however, the collecting of both due and overdue installments by means of personal collectors is frequently, if not commonly, resorted to. Although collecting by personal collectors is much more efficient than other methods in so far as the actual collecting of accounts is concerned, yet the loss of good will and trade that so often results from a use of this method more than offsets this advantage.

There is little doubt that the letter is by far the most generally and frequently used method of collecting. Of all methods available it is probably the most satisfactory in accomplishing general, all-round results.

At the same time it should be borne in mind that effective collection work depends not so much upon the letters that are written as upon the fact that they are part of a regular and persistent *system.*

What this system is and how it operates are treated in succeeding paragraphs.

Training Customers to Pay Promptly

Although it is stated in a preceding paragraph that the best collection man is he who secures the maximum of collections with a resulting minimum loss of trade, yet there should be added to that statement this further idea: The best collection man is he who so trains his customers to pay promptly that the necessity to use collection methods is reduced to the minimum. In other words, the efficient collection department usually has less actual collection work to perform than the inefficient department, for customers of the house that maintains an efficient collection department have learned from experience that they will not be permitted to take their own time about paying, that they must pay their bills promptly and according to the terms —with the result that after a short period they have been trained to pay promptly, and do so.

The method used to train customers to meet their obligations when they fall due is the collection system that, with machinelike regularity, "picks up" the delinquent customer and persistently keeps after him until he pays. If he once again or on several occasions becomes careless, the system again "picks him up," until he finally realizes that he cannot escape it.

The Collection System

Undoubtedly, the most efficient method of collecting delinquent accounts is the one by which

each of these accounts receives the individual attention of some one who is well acquainted with the debtor and with the reasons for his delinquency. Such a situation often exists in small towns where the proprietor of a retail store knows his customers personally. Hence, if he knew that John Doe had been ill and out of work for some time, he would hardly attempt to force the payment of Doe's overdue account. But in large organizations, with their thousands of accounts, it is practically impossible to have such a personal knowledge of the customers. Accordingly, the large organization must rely chiefly on a system that will somewhat automatically handle the necessary and different steps taken to procure payment. The collection system, as its name denotes, is a regular method or order of procedure that gradually but surely increases the pressure on delinquent customers until they pay or until a climax is reached—until it is necessary to resort to more forceful means, such as the use of personal collectors or attorneys. It is more or less mechanical and automatic in respect to the dates on which certain notifications and other letters are sent to the various classes of delinquent debtors, or other steps taken; and in respect to the type of collection notice, letter, or other step to be used on the definite date specified by the system. The system is, however, flexible with regard to exceptional cases.

The construction of an efficient collection system above all requires on the part of its builder a sound knowledge of the human-nature element in collection work. He should know just how far he can

press a customer without offending him; he should know that certain classes of customers (the highly rated, for instance) are likely to be more sensitive to the tone of his letters than other classes; he should know that with certain types of customers he must be firm or he will be taken advantage of. These are only a few of the things he should know. But in general he should be able to gauge the reaction of debtors to letters, so that he can accomplish his purpose—*i.e.*, to collect the maximum number of overdue accounts with a minimum loss of trade.

Before it is possible to discuss the building of the system further, it is necessary to consider the fact that the customers of a house are not all of the same class and that the same system cannot, therefore, be applied to all without causing harm. The highly rated debtor should not receive the same treatment accorded the poorly rated one. What the latter would consider to be a lenient letter and hence disregard, the former would consider a drastic letter and, feeling affronted, be likely to take his trade elsewhere. It is clear, therefore, that the collection system must be so devised that each definite class of customers receives a treatment suited to bring about the desired results—the collection of the overdue accounts and the retention of the good will of the customers. To accomplish these results, the collection system begins with mild and inoffensive reminders and proceeds gradually through various series of letters and steps, adapted to the different classes of customers, to the drastic letter threatening suit.

The effectiveness of the collection system lies in

the fact that the system is based upon a fundamental law of cause and effect—*i.e.*, repetition has a cumulative effect; or, in the words of the maxim, "Drops of water will wear away the hardest stone." With unfaltering persistency letters are sent to the careless or obstinate debtor. The impression made upon him by one letter is deepened by the next letter, until, finally, he either pays his account or sets forth reasons why special treatment should be given.

The Collection System of the Large Retail Store

Although the average large retail store will have more than three classes of customers, yet, to simplify the description of the collection system used, consideration will be given to only three. In a wholly arbitrary way, these three classes can be designated by these terms: (1) poor risks, (2) fair risks, and (3) gilt-edge risks. (The word "risk" is here used to mean *financial ability to pay*.)

The poor risk may be defined as a customer who has just enough of the ability to pay and just enough of the reputation of being a fairly prompt payer to be given the privilege of an open account with a small credit limit. So long as the poor risk keeps within the credit limit placed on his account and pays promptly, he is a welcome customer; but as soon as he begins to become slow in paying he must be carefully watched. The margin of safety is small, and hence prompt action needs to be taken by the collection department if a loss is to be prevented. The collection system is, therefore, so adapted to these conditions that it operates rapidly in his case. The length of time that elapses between

the mailing of the first notification and the letter threatening suit is short. The poor risk is not so likely to take offense at the promptness with which he is followed up as is the risk of a better class, because, on account of his rating, the poor risk is more or less used to receiving similar treatment from other concerns.

The fair risk may be defined as a customer who has a medium rating with respect to his ability to pay and with respect to his reputation of being a fair payer. His credit limit is medium. Because of his greater ability to pay, the margin of safety is larger than exists in the case of the poor risk. The business organization, therefore, that has granted him credit is likely to be more lenient with him than with a poor risk. Customers of this medium class are well aware of the value of their patronage and of their own financial responsibility and, accordingly, expect to receive some leniency. The collection system, therefore, must not only allow a longer period of time to elapse between the first notification and the letter threatening suit than is allowed in the case of the poor risk, but must also provide for the sending of more notifications and letters.

The gilt-edge customer may be defined as a customer who is highly rated with respect to his ability to pay, but who may or may not be a prompt payer. His credit limit is high. The probabilities are that he has sufficient financial resources to meet his obligations. It often happens, however, that he is not so prompt in paying as he should be. The gilt-edge risk realizes that he is fully able to pay his bills, and just for that reason he is sometimes careless in giving

them proper attention. Because of the consideration that is shown him by business houses on account of his financial rating, he is the most sensitive of the three classes of customers and must, therefore, be accorded a lenient and mild treatment; otherwise he may withdraw his patronage. The time that elapses between the first letter and the letter threatening suit is the longest allowed for the three classes.

Other Matters That Must Be Considered

Certain other matters, besides the financial rating of the customer, must be considered by the one who is planning the collection system. Of these matters the most important are as follows:

1. The value of the customer's future patronage.
2. The customer's past record with the retail store.

The value of the customer's future patronage must be taken into consideration because it can be easily understood that it is to the interest of the retailer to give more consideration to the customer whose trade is worth two thousand dollars a year than to the customer whose trade is worth only two hundred dollars a year. The large and profitable customer is generally favored by the retailer; indeed, he expects to be so favored. The collection man is more likely "to go easy" with the large customer than he is with the small one, because he realizes how valuable this customer's trade is to the store.

It is also evident that the customer's past record with the store should influence the operation of the system. A customer who has been prompt in paying

his bills month after month and year after year expects the store to show some consideration for his record, should he for some reason or other fail to meet promptly the present obligation.

The Elements of the Collection System

The collection system is composed of four variable elements, as follows:

1. The element of time—that is, the time that elapses between any two notices or letters, and the time taken for the complete operation of the system.
2. The number of notices or letters to be sent.
3. The consideration given to the various classes of customers.
4. The tone used in the letters.

The part played by the time element in the system can be easily seen by a study of the following parallel columns that contain a record of the dates on which notices or letters are sent by one representative department store:

To the Poor Risk	*To the Gilt-edge Risk*
March 15—goods bought	March 15—goods bought
April 1—bill rendered	April 1—bill rendered
April 20—formal notification	May 1—statement rendered
May 1—first personal letter	June 1—first formal notification
May 15—second personal letter	June 15—second formal notification
June 1—third personal letter	July 1—first personal letter
June 15—threat (or personal collector)	July 15—second personal letter
	August 1—third personal letter
	August 15—fourth personal letter
	September 1—threat (or personal collector)

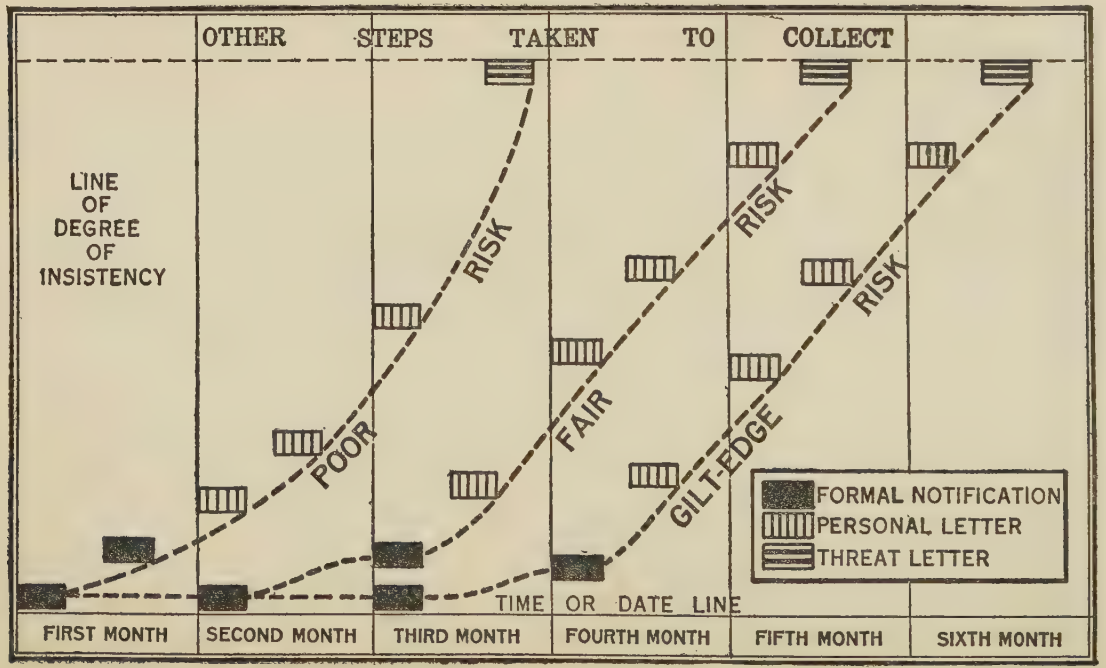
From the outline given above it can be seen that the number of notices and letters sent to the poor

risk is smaller than the number sent to the gilt-edge risk. It will also be perceived that the time between the mailings is shorter in the case of the poor risk than it is in the case of the gilt-edge risk, and that the period of time which elapses between the beginning of the collection system and the end is less for the poor risk than it is for the gilt-edge risk.

The tone used in the various notifications and letters progresses much more quickly from the impersonal to the harsh in the case of the poor risk than in the case of the gilt-edge risk. The graphic chart on page 127 shows clearly how the tone (indicated by the types of letters) increases in severity in the cases of the different classes of customers. Notice how quickly the curve of severity of tone used with the poor risk rises to its climax. Note also how slowly that of the gilt-edge risk rises.

The Results Secured from the Collection System

The collection system that persistently and methodically follows up the delinquent debtors is a great help to a business house. It benefits the house by collecting promptly the cash that is needed to keep the house in a sound financial condition, able to take advantage of discounts and to meet competitors' prices. It benefits the house by giving it a reputation for requiring prompt payment. The store that has a reputation of being "easy" is allowing its customers to get into the bad habit of not meeting their bills promptly. It is only human nature upon the part of customers to pay the insistent house and to take their time about paying the "easy" house. Moreover, the collection system,



GRAPHIC CHART OF A RETAILER'S COLLECTION SYSTEM

by compelling customers to keep their accounts in good condition, increases sales, for when the customers know they do not have a long overdue account at a store they take satisfaction in buying at that store. Their conscience is easy and they know they will be welcome.

The Formal Notification

Three different types of collection letters are used in the collection system. As will be seen later, each type has certain peculiar characteristics in order that it may bring about the proper effect upon the delinquent debtor. The names of these three types are as follows:

1. The formal notification.
2. The personal appeal letter.
3. The letter threatening suit.

After the itemized bill has been sent to the customer (usually on the first of the month following that in which the purchases were made), and after the monthly statement or statements have been sent (the gilt-edge risk, for example, may be sent two or more statements at various times) without bringing about the payment of the bill, the first collection letter, called the formal notification, is sent. To make this clear, let us assume that a customer who is rated "medium" has bought goods on July 14. According to the system he will receive an itemized bill on August 1. If he does not pay this during the month of August, he will receive a statement on September 1. If he still does not pay his bill during the month of September, he will receive a first formal notification on October 1.

The main purpose of the formal notification is to remind the delinquent debtor in the least offensive way that his bill is overdue. With the majority of customers who are delinquent, formal notifications are all that are needed to bring about the payment.

Customers are usually very sensitive about collection matters and, since it is one of the purposes of the collection department not to offend customers, it is necessary that their susceptibility to requests for payment be carefully considered. The collection department which realizes this element of human nature takes pains, accordingly, to show in these notifications that no personal affront is intended. It accomplishes this purpose by the use of a reminder, called the formal notification, that has the following characteristics: It is impersonal in tone, stereotyped in language, short in length, often printed in blank form so that the amount of the bill and the month in which the purchases were made may be entered, and it merely calls to the attention of the customer the fact that the account is unpaid. It contains no personal appeal of any kind, no personal reference—unless the appearance of the customer's name on the reminder can be interpreted as personal.

The formal notification possesses the above-mentioned characteristics because by them the customer is made to realize that this is not a "dun," but merely a formal reminder, a matter of customary routine and as much a part of the business machinery of the store as the bill or statement. Since the notification is usually printed, the delinquent customer understands that the other customers receive such

notifications whenever their bills are overdue the same length of time as his own.

The Different Types of Notifications

In general business practice, four different styles of make-up of these formal notifications are used, as follows:

1. A statement itself with the expression "Past due; please remit," or other words to a similar effect, stamped on it by means of a rubber stamp, or printed.
2. A printed reminder with reference to an accompanying bill or statement.
3. A printed form containing blank spaces to be filled in with the name and address of the customer, the amount owed, and the month or other period in which the purchases were made.
4. A typewritten or multigraphed form with blank spaces left so that the necessary information may be filled in.

An illustration of a printed form which refers to an accompanying bill is shown below. Such a form is often printed on a small card and clipped to the statement.

R. M. Blank & Company respectfully call attention to the inclosed statement, which, no doubt, has been overlooked.

Shown below is an example of the printed form with blank spaces left to be filled in by ink or on the typewriter. This form, too, is generally printed on a card. Please note that it has no inside address, salutation, or complimentary close.

We wish to call attention to your account of ..... amounting to $..... Your prompt attention will be appreciated.

JOHNSON & COMPANY.

A
CREDIT
DEPARTMENT
REMINDER
FROM
McBRIDE'S

WE beg to call attention to your account for
January
Amounting to $ 7.20
Your prompt attention will be appreciated.
McBRIDE'S, Inc.
Special Notice
The character of our business, is fundamentally a cash one.
The small charge made for service does not warrant credit.
Accounts are opened for the convenience of our customers with the distinct understanding that they are to be paid on or before the 15th of the month following. Failure to meet these terms may cause collection of charge facilities.
McBRIDE'S, Inc.

UNDER COVER

UNDER THIS COVER IS A STATEMENT OF YOUR ACCOUNT WHICH IS LONG PAST DUE. WE TRUST IT WILL HAVE YOUR IMMEDIATE ATTENTION.

In order that their formal notifications may not escape the attention of their customers, some stores make use of printed notices that are different in physical appearance from the customary formal notification. Illustrations of these appear on page 131.

Illustrations of the typewritten and multigraphed notifications follow:

DEAR SIR:

Your account for the month of ..... amounting to $..... is now past due and should receive your attention.

Respectfully yours,

DEAR SIR:

Your attention is called to your account of $..... for the month of ....., the statement of which was sent to you a month ago.

Respectfully yours,

DEAR SIR:

A statement is inclosed of your account, which is now past due. A remittance will be appreciated.

Yours truly,

If the first formal notification secures no response, another formal notification expressed in a somewhat stronger tone, but still of an impersonal type, is sent after a suitable interval of time and in accordance with the timing and dating plan of the collection system. Illustrations of such second formal notifications follow:

DEAR SIR:

We desire to call your attention again to your past-due account for the month of ..... for $....., statement of which was mailed to you several weeks ago. We shall appreciate receiving your check in payment of this account by return mail.

Respectfully yours,

DEAR SIR:

Your account for the month of ..... for $..... has now been past due for two months and is still unpaid.

We invite your attention to the oversight, confident that you will promptly attend to the matter.

Respectfully yours,

The tone in the second formal notification, as will be noticed, is a trifle stronger than that used in the first formal notification. The request for payment is a little more definite and insistent. It is advisable to note, however, that these notifications are so worded as to impress the customer with the fact that they are forms and are not personal to him alone.

The number of notifications that are sent to the delinquent debtor before the series of personal letters is started depends upon the rating given to the customer by the credit department of the store and upon the other considerations mentioned in the preceding pages. For example: In case it is the desire that the utmost caution be taken to safeguard giving offense to the customer (such as would be true in the instance of the gilt-edge customer), four or five reminders may be sent before any personal letters are mailed. It is interesting to note the various different methods used to make these notifica-

tions appear formal and impersonal. The company's name may be used, for example, instead of the word "we," as shown in the following expression:

John M. Smith and Sons respectfully direct to your attention the inclosed statement.

Sometimes the word "you" is omitted, as is illustrated by the following sentence:

We desire to call to the attention of our customers the fact that all bills are due when rendered. In accordance with these terms we respectfully request payment of the attached statement.

It is allowable, and indeed often advisable, to use language that is stilted or hackneyed. In other words, the quality of originality and personality in language that helps so much to make other types of letters successful should not be used in formal notifications.

Because of the various characteristics of the formal notifications that have been discussed, this type of collection notice makes only a weak appeal to the customer—and purposely so. In the majority of cases the formal notifications accomplish the object desired—*i.e.*, payment of the overdue account without giving offense. And even when they are not successful in bringing about the payment, they are necessary preliminaries before the stronger and more drastic collection methods, which might easily arouse resentment if the customer had not been prepared for them, can be used.

Personal Collection Letters

If the formal notifications have not succeeded in bringing payment of the overdue account, it is obvious that the next stronger kind of collection

method must be employed. This next method is commonly the use of personal collection letters.

In order that the best results may be obtained from the personal collection letters, it is essential that the appeals employed should be definitely graded in strength of appeal and in tone of insistency. Each succeeding letter in the collection system should work gradually to a climax. If the first letter of the series of personal letters were the strongest in appeal and tone, many of the delinquent debtors would pay up immediately—but many of them would discontinue their trade; and those who were not moved to action by that letter would not be likely to be influenced by later and weaker letters.

The appeals that are most commonly used in collection work, arranged in the order of their strength and insistency, are as follows: (1) sympathy, (2) justice, (3) self-interest, (4) fear.

Some business houses insert a short sales talk in the first of the personal letters. This is done for two reasons: (1) to prevent the letter from appearing too sharp, and (2) to have the letter help in selling by calling to the attention of the customer a special sale or seasonable offering of some kind. After the first personal letter, however, such sales talks are seldom employed, because they may seriously impair the purpose of the message by distracting the reader's mind from the main purpose of the letter—*i.e.*, to collect his overdue account.

Writing the Personal-appeal Letter

Before the correspondent starts to write any of the personal-appeal letters he usually has before

him a more or less complete record of the case. This record consists of information concerning the history and progress of the customer's account, and the number and kind of notifications or letters that have already been sent. Such information will safeguard him from making serious blunders in the treatment he accords the delinquent customer in the letter that he writes.

With the facts of the situation clearly in mind the correspondent can now definitely decide upon the appeal to use, the choice of which appeal will chiefly depend upon the stage that has been reached in the collection proceedings.

The personal collection letter should perform three functions that must be carefully watched, as follows: (1) the beginning must grip the attention of the reader, (2) the body of the letter must make a telling appeal, and (3) the ending must stimulate action. It is only natural that most people should dislike to read "duns" and, after a casual glance to determine the contents, have a tendency to toss them aside. It is necessary, therefore, that the delinquent debtor's attention be secured so that he will read the letter. An ordinary, hackneyed, uninteresting beginning seriously impairs the effectiveness of collection letters.

The main body of the collection letter attempts to make the reader *feel* that he ought to pay. This feeling is brought about by an appeal to the debtor's sense of sympathy, justice, self-interest, or fear.

It is not merely necessary that the customer be made to feel that he should pay; it is still necessary to secure some kind of *action* from him. A stimulus

should be given him at the end of the letter that will arouse him to take action *now*. The strength of this stimulus varies with the position of the letter in the collection series. In the first personal letter it is not strong; but in the succeeding letters it has more "sting" to it. Indeed, it may be said that the weakness of many collection letters results from the use of such an ending as, "Hoping to hear from you, we are," etc. Much better endings are as follows:

Please place your check in the inclosed envelope and mail to-day.

We shall expect a remittance by return mail.

Do not force us to call this matter to your attention again. Send your check now.

It is well to remember that the appeal made by the letter lasts for only a few seconds at most. In this short space of time, when the feeling caused by a letter is at the highest point, the customer must be stimulated either to send his remittance then or to determine to send it at a definite time in the near future. In the later letters in the series it is a good plan to request the customer to reply, at least. If he should explain why he is delayed in making the payment, the collection correspondent has a better opportunity of giving him a treatment adapted to his needs.

Tone in Collection Letters

As has been explained before, collection letters can easily cause serious injury to a business. If

they are too harsh in tone, many customers will be lost. The writer of the personal collection letter, therefore, should be careful of the tone of his letters. It is easier to catch flies with molasses than with vinegar; and it is easier to secure payment from delinquent customers by tactful and friendly collection letters than by harsh and bitter ones. In view of the fact that so many customers are only too ready to read into a letter meanings that the correspondent did not intend, it is necessary that he should carefully guard his letters from ambiguous statements, unfortunate suggestions, and unpleasant implications.

Although the tone should be tactful and friendly, yet it should be made clear to the customer that the house is taking a firm stand in regard to his delinquency. The debt must be paid. The business house whose letters are lacking in firmness and insistency is forced to wait for payment; whereas the house that takes a firm stand is paid first.

The tone of the letter should be dignified. The reputation and standing of the business house will be lowered in the eyes of the customer if it resorts to undignified language and methods to collect the bill. The customer's honesty of purpose should not be questioned, either by direct or by implied statements. Much more effective is it to assume that he intends to pay, and then to emphasize the desirability of his paying *now*.

A begging or apologetic tone is seldom resultful. Indeed, it is illogical, for there is nothing to beg for and nothing to apologize about. The customer owes a bill that should be paid without further

delay. Such tones injure the effectiveness of the letter because it is made to appear that the customer will be doing the house a favor by paying his bill after it has already become long overdue.

The Appeal to Sympathy

The appeal to sympathy is the weakest and probably the most commonly misused of the personal appeals. When it is employed, it should be used only in the first of the personal letters. The purpose of the appeal is to make the customer feel that the house which has favored him by carrying his account is now suffering financially because of his delinquency.

Small retailers, like tailors, laundries, and grocery stores can, however, use this appeal to good advantage, for it often flatters the debtor by causing him to feel his own financial superiority. When such an appeal is used by a large organization, however, it does not sound plausible and is likely to involve a loss of dignity.

One of the few proper uses of the appeal to sympathy is made if a business house calls the attention of a customer to the fact that, although the customer's own bill is small, yet the house has several thousands of these accounts which amount to a considerable sum. Such a letter follows:

DEAR SIR:

Your check for $18.50 to cover your bill for the month of February has not yet been received. In all probability your failure to meet this obligation has been caused by oversight.

The amount in itself is insignificant, but since we have several thousand similar accounts on our books it is necessary that our patrons should realize what a hardship is worked upon us if

we are forced to spend much time and money in constantly bringing the matter to their attention.

We shall therefore greatly appreciate your check for $18.50 by return mail.

Very truly yours,

The appeal to sympathy may be used in other ways. Sometimes the collection correspondent refers to his desire to make a respectable record for collections, and asks the debtor to assist him. He may even mention the fact that others higher up in the organization have asked him to "clean up" the small accounts as soon as possible.

The appeal to the sense of justice is the next appeal in the grade of insistency. The purpose of this appeal is to make the customer feel that he is not treating the house fairly. The main thought in the various appeals to the sense of justice is usually this: "We delivered value and it is only fair that you give value in return. We have carried your account long after it was past due. It is only just and right that you accord us the same fair and square treatment that we have accorded you. After our courteous treatment, you should not compel us to wait so long for payment."

Logic and argument are relatively ineffective. The customer knows that he owes the bill, and he knows that he should pay it. The main idea is to make such a strong appeal that he will be induced to pay his overdue account now. An example of a letter appealing to the sense of justice follows:

Dear Sir:

We are disappointed at your failure to settle your bill amounting to $90, about which we have already written to you several times.

In your case we do not want to seem unduly insistent, for you have been a customer of ours for some time. Nevertheless, we do feel that our credit terms of 30 days are liberal, and since you agreed to them when you opened your account with us, we believe you should live up to them.

We are confident that you have found our goods satisfactory and that the delay is due merely to an oversight. But in justice to us and to your own reputation as a good business man, don't you think that you should take pains to see that the delay does not continue any longer?

Right now while this letter is having your attention, will you please make out your check for the amount of the bill, $90, and mail it to us? Thank you.

Yours very truly,

The purpose of the appeal to self-interest is to make the delinquent customer feel that it will be to his personal advantage to pay his overdue account now. This feeling can be brought about in various ways. He can be shown that prompt payment on the part of customers enables the house to sell at lower prices. He can be shown that he should not allow his credit standing at the house to become impaired—that he should not permit his credit reputation to be injured. The letter containing this appeal is more insistent in tone than the letter that makes an appeal to the sense of justice.

Dear Sir:

Your attention has been called several times to your unpaid account of $25, but for some reason you have not yet replied to our letters.

Don't you understand that by treating us in this unbusinesslike manner you are in danger of seriously injuring your own credit? When you came to us we placed confidence in you. If you have not done your full share toward upholding it, surely we are not to blame. Are we?

The good will of the house must be worth something to you. It is worth something to all those who purchase of us, whether the purchases are large or small. We hope that you will enable us to continue the confidence given you at the outset, and we hope, too, that you will do your little share toward keeping your name good with us hereafter.

Let us have the balance of the bill due us, if you will, and we shall charge the entire incident off and dismiss it from our memory.

Yours very truly,

At this stage of the collection proceedings and before further and harsher steps are taken, it is usually advisable to send to the delinquent customer a letter that is commonly termed the letter of courtesy. It is the purpose of this letter to ascertain whether the customer has any good reason for not paying his bill. It sometimes happens that a customer has been sick or is experiencing other difficulties, with the result that he is unable to pay his account. Yet the collection man cannot know about these cases unless the customer tells him—and most customers will not tell him unless he definitely requests them to. This precaution often saves the concern from losing customers who otherwise would be lost, for it enables the collection man to give them special consideration and individual attention.

DEAR SIR:

Suppose a friend of yours owed you $25 which he had borrowed from you two months ago. And suppose you met him on the street and asked him if he could return the loan. And suppose, still further, he turned on his heel and walked away. How would you feel?

Yet with the characters reversed that is the situation you and we are in now. We are your friend. We gave you goods from our store with the understanding that you were to pay us back in

30 days. We have reminded you several times of your delinquency, but you have turned on your heel—you have not answered our letters. You can't blame us—now honestly, can you?—for feeling aggrieved.

What is the trouble? The goods must have been right or you would have returned them, for you know our policy in such matters. Or it may be that the bill is incorrect. We feel that there must be something wrong or you would have paid your account long before this.

Won't you sit down now and let us hear from you? But please don't turn on your heel and walk away.

Yours truly,

It is also a good policy to attempt at this point to induce the customer to pay at least a part of his indebtedness. Many customers who are unable to make full payment keep putting off paying their bills because they have not the whole amount. The collection man understands this phase of human nature, and, accordingly, attempts to get the customer to pay at least a part of his bill and arrange for other payments that will take care of the whole amount.

Letters Threatening Suit or Other Action

After the various personal-appeal letters have been sent to the customer without securing a response or the payment of the obligation, some business houses resort to the use of personal collectors; others use the so-called threat letter. The threat letter is the harshest of all collection letters and commonly causes the loss of the customer's trade. The appeal used in the threat letter is the appeal to fear. The purpose of the appeal is to make the customer fear to delay payment any longer. The dis-

agreeable things that will happen if he does not pay his account by a specified date are described or suggested. He is shown that he cannot escape paying his just debt and that his negligence or procrastination will only result in causing him anguish and pain if he compels the business house to take the matter into court.

This appeal to the sense of fear—this threat to sue or to place the matter in the hands of attorneys for suit, or to send personal collectors—may be expressed either in a short letter or a long one. The short letter would be merely an announcement to the effect that if the customer does not pay his long overdue account by a certain date the concern will be forced, much against its will, to place the matter in the hands of its attorneys. The fault of the short threat letter is that it may fail to make the customer realize the many disagreeable features connected with a lawsuit for debt. In the long letter, on the other hand, the reader is made to realize in a vivid way the disagreeable experiences he will undergo if he allows the matter to be brought to trial. The use of either the short or long letter depends upon the class of customers being dealt with.

In the letter given below note the tone of restraint, although the letter is threatening legal action. Note also how the customer is made to realize that by his neglect he is responsible for the step that is being considered. Such a letter has a good chance of holding the customer's trade.

Dear Sir:

Despite the fact that we have sent you numerous notices and letters regarding your long past-due bill amounting to $32.50

for the month of February, you have neither sent us your check in settlement nor set forth any reasons why you are withholding payment.

Such remissness on your part compels us to consider a step that we very much dislike to take—and that is to hand your account to our attorneys for such action as they may find necessary.

We do not like to think that anybody who is a customer of ours would force us even to consider such drastic measures, but when that customer has neglected for months either to pay his account or to give some explanation, you can easily appreciate that nothing else is left for us to do.

In accordance with our regular procedure, therefore, we shall give your account into the hands of our attorneys on next Friday, July 8, unless we have received your check by noon of that day.

Respectfully yours,

Wholesale and Jobbing Collections

Practically the same principles that apply to collecting overdue accounts of customers of retail stores apply to the collection problems of the wholesaler or jobber. The plan of collection is similar in many respects. The wholesale merchant commonly attempts to collect his overdue accounts by the use of formal notifications and by personal collection letters. In his collection work he is governed by the same consideration that the retailer is governed by: He tries to train his customer to pay his bills on time; he tries to collect the money that is owed him without offending the customer.

Consideration should be given, however, to certain differences that exist between the collection system of the retailer and that of the wholesaler. The first difference is that the period of time allowed the customer by the wholesaler in which to pay his

bill is based upon more definite credit terms; and the complete action of the collection system is performed within a shorter period. Another difference is that, although the wholesaler employs about the same appeals that the retailer uses, he places most reliance upon appeals to self-interest. The wholesaler is able to do this because the customers with whom he deals are themselves business men and, accordingly, usually realize the necessity of keeping their credit standing unimpaired. Because of that reason they can be more effectively reached by an appeal to their sense of self-interest than by any other appeal except that to their sense of fear.

GENTLEMEN:

One of the chief assets of your business is a clean credit record. Over 90% of business in this country is transacted on a purely "I-trust-you" basis. The dealer who forfeits his credit standing puts tremendous obstacles into the path of his future business progress. Under such circumstances especially, competition with his business rivals becomes well-nigh impossible.

Surely you are too good a business man deliberately to sacrifice your reputation for prompt payment of your just obligations. It must be your desire to retain an unmarred credit standing.

This little difficulty about your past-due account can be cleared up satisfactorily if you will send us at once your check for $125.

Very truly yours,

The Use of Drafts

Seldom do retailers make use of drafts to bring about the collection of accounts; on the other hand, the draft is quite commonly used by wholesalers. In many lines of business the terms on which the credit was granted stipulate that if the account is not paid within a certain time a draft will be drawn

upon the customer without further notice. It is good policy, nevertheless, to notify the customer whenever one is drawing upon him, for otherwise he may not be able to meet the draft when it is presented by the bank for collection.

GENTLEMEN:

We must now insist upon the settlement of your past-due account. We wrote you on March 18, and called your attention to the fact that your bill for $32.50 was overdue. As yet, however, we have received no response.

Should we fail to hear from you within the next few days, we shall place a draft with our bankers to cover the above amount. We ask that this be honored upon presentation. If you do not wish us to draw on you, please favor us with your check by return mail. In this way we can head off the sending of the draft.

Very truly yours,

Attempting to Get Part Payment

In view of the large amounts involved in many of his outstanding accounts, the wholesaler makes more of an attempt than does the retailer to induce the customer to reduce his debt by making part payments. Sometimes, indeed, in answer to preceding collection letters the delinquent customer informs the wholesaler that he is putting off payment until he can remit the entire amount at one time. In such a case it is advisable for the collection department to make a strong effort to have the customer pay part of his bill now and to promise to pay the remainder on certain specified dates that are arranged. If the customer's promise is secured to take care of his overdue account in this manner, the collection department will remind the customer

of his promise whenever he fails to make the part payment.

DEAR SIR:

We have your letter of March 8 with reference to your delinquent account and we notice that you wish to defer paying your account until you are able to send the entire amount.

We are indeed sorry to learn from you that business is slow in your town. You must realize, however, that we have been exceedingly patient in waiting for you to make remittance. You will be showing your appreciation of this courtesy of ours if you will make part payment, say every two weeks, instead of deferring payment until you can take care of the entire account.

We therefore suggest that you break up the total amount of your bill ($120) into four parts of $30 each.

While this letter is before you, please send us your check for the first payment, $30. Then in two weeks from to-day, send us the second payment of $30, and so on. In this way you will soon pay up your full account without noticing it, and at the same time you will maintain your good credit reputation. Send your check, please, for $30 to-day.

Very truly yours,

Extension of Time

The collection department of the wholesale merchant often receives a letter from delinquent customers requesting that they be allowed more time in which to pay their overdue accounts. Much good judgment is necessary to handle these requests properly. If the collection man is too easy in granting them he will soon be taken advantage of. Whenever requests are granted, therefore, the collection man should show that he is making an exception to the general rule in view of the good reason set forth by the customer.

DEAR SIR:

We are indeed sorry to learn from your letter of January 24 that you have been sick and have been unable to attend to your business as much as you ought. We sincerely trust that there will be a speedy recovery to health.

In view of your explanation, we are pleased to grant you your request for an extension of time on your account. In times of sickness even the strictest of rules may be temporarily let down without working injustice to anyone. Whenever a customer comes to us, frankly tells us his reason for not being able to take care of his account and gives us a good reason, as you have done, we are glad to accommodate him.

In return for this favor, we are sure that you will take pains to meet this obligation at your very earliest opportunity.

Very truly yours,

If the customer gives no good reason as to why the extension should be granted, the extension must be denied. The refusal of such requests, naturally, should be made courteously but with firmness. The reason why the request must be denied should be given.

DEAR SIR:

We have just received your letter of April 15 in which you ask us to grant you an extension of 20 days on your account now due.

You must realize that in a business like ours, where thousands of accounts are carried, there must be, in fairness to all our customers, a standard credit time. If we were to begin making exceptions to this rule, the rule would soon break down entirely.

As our goods are sold at the lowest possible prices, the result would be that we should have to raise the prices on them to cover interest charges on the increased investment that it would be necessary for us to carry. Such an increase in prices would work out as an injustice to the great majority of our dealers who never miss making prompt payment.

We are therefore very sorry to be unable to comply with your request. As the account for $115 is now long overdue, we expect to receive your check by return mail.

Very truly yours,

Misunderstandings Delay Collections

The good collection man will not overlook the fact that one reason a delinquent customer may not be taking proper care of his obligation is that he has made some complaint or claim against the house which has not been settled to his entire satisfaction. It often happens that the collection manager is not informed of these conditions, with the result that he proceeds in his attempts to collect the overdue account. The customer believes that the collection manager is fully informed of the situation, but is ignoring it, and, therefore, does not write to the collection manager to set him right. If the collection system is allowed to continue, the result is that the customer will be estranged and the house will lose his trade. To prevent this from happening, it is advisable that the collection man use a type of letter similar to that shown beginning on page 142 to ascertain why the customer is not taking care of his obligations.

Holding Up Orders

As was stated in the chapter on credit letters, the credit work and collection work of many business concerns are handled by one department — the credit and collection department. The wisdom of this consolidation is evident in such cases, as when a customer whose account is already long overdue

attempts to add to it with a new order. Before O.K.-ing the order, the credit man will naturally look up the customer's account and, finding that its condition is not satisfactory, will write to the delinquent customer to inform him that the order cannot be passed until he has paid his overdue account. An example of such a letter is shown below:

DEAR SIR:

We desire to thank you for your order of April 14 which we have just received.

In looking over your account, however, we find that our invoice of January 14, amounting to $123, is still unpaid. As this account is so much past due, it would not be in harmony with the policy we maintain for the benefit of our trade generally to give you additional credit. We do not expect our customers to have unlimited capital, but we have never felt the advisability of increasing an account when it is apparent that present past-due indebtedness is being neglected.

We trust, therefore, that by return mail you will send us your check for $123 to cover the above-mentioned account, so that you will be conforming with our terms. You will then enable us to pass your order to the shipping department for prompt and careful attention.

We shall expect your check by return mail so that we can go ahead with the shipment of your order.

Yours very truly,

Installment Collections

The selling of high-priced articles on the installment or part-payment plan has become very general. Were it not for this method of making buying easier, comparatively few high-priced articles like pianos, automobiles, farm tractors, and even phono-

graphs would be sold to persons of small or moderate means. To compel such persons to pay the entire amount in cash in advance would practically eliminate them as prospective purchasers of such articles.

The great increase in the use of selling on the installment plan naturally makes more important a consideration of the methods employed to collect these installments or part payments. The difficulty of collecting installments is apparent when it is realized that not only must the customer be made to pay past-due installments, but he must also be trained to make his future payments on time. It is clear also that the system necessary to insure the collection of part payments for a piano, which payments might extend over a period of two or three years, must be especially well planned to take care of a multiplicity of details and of situations that are not common to ordinary retail collecting.

The collection system of a concern that sells articles on the installment plan must be constructed with full consideration of the fact that a customer may become delinquent several times during the course of his numerous payments. Accordingly, provision should be made in the system to take care of the overlapping of the collecting of successive past-due payments. For example: Provision must be made to collect the past-due installment of a customer who has neglected to pay the installments both for one month and the succeeding month. It is obvious, moreover, that when a customer has become delinquent a second time, he should not be sent the same collection letters that were sent the

first time. The moment that he saw they were the same letters it is likely that he would not read them, with the result that no appeal would be made to him.

The appeals that are used in installment collection work are the same as those employed by the retailer. In addition, it is often necessary to make use of what are called "reselling talks," because it commonly happens that when the burden of meeting the constantly recurring obligations becomes tiresome the customer desires to return the article and is willing to lose his equity in it. Since the real profit to the concern that sold the article lies in the last few payments, it is seen that when such a situation arises the collection letters should contain sales talks that will create anew in the mind of the customer a strong desire to retain the article.

The letter shown below exemplifies one of the types of letters sent out to collect a past-due installment and to provide for a prompt payment of the next installment.

DEAR SIR:

Possibly you have your check for $10 ready to mail us in payment of your $5 November installment, now one month overdue, and the $5 December installment, which has just become due. Some of our subscribers find it convenient to make two payments at one time.

We have no objection to this method provided we get due notice, but you can readily understand that it gives us a bad impression when we receive no reply to our numerous notifications and letters, as has been the case with you.

The terms of your contract were made very liberal to suit your convenience, and you, as a good business man, must recognize the necessity of living up to those terms until some change in them is agreed upon by both of us. We believe also that you

will find the $5 a month terms on the whole more satisfactory than any other.

Won't you, therefore, see that the $10 now due is sent to us promptly and that in the future your installments are paid regularly when they fall due? You will thus be saved the inconvenience of reminders and the difficulty you experience in allowing installments to remain overdue even for a month.

Yours very truly,

P. S.—If you care to pay the remainder of your account in cash, please remember that our offer of five per cent discount is still in force.

In the following letter sent to a customer who is nearing the end of his series of payments, but who is apparently becoming tired of his purchase, note the "reselling talk."

Dear Sir:

You bought the Blank Library from us to realize your dream of a better position and a greater earning power.

There is no doubt that a conscientious study of this set of books will secure for you a better position and a larger salary. It has done just those things for others; it can do those things for you if you wish it. You are just as capable as they were.

We feel, however, that you have not studied the books as much as you should and, therefore, are not making the progress that you expected.

We can understand just how such neglect and disinclination come about: there are friends of yours who want your congenial society; there are pleasures that you think you cannot forego; there are social functions that you think you should not miss; and so it goes.

But remember!—there is no royal road to knowledge and success.

Recall the life of Abraham Lincoln. He walked fifteen miles to borrow a book on geometry. After a day of toil, he studied in the dim light of the fireplace until late at night. Discouraged

and tired, he used to say to himself: "I will keep right on studying; some day perhaps my chance will come, and then I will be ready for it." Abraham Lincoln rose to power.

We could mention thousands of men who have risen to power through study. What others have done, you can do.

Let us, therefore, urge you to take a new hold of this study. Show us that you have the character and the spirit of success in you.

Start the month right by paying the $5 that is now a month past due and by adding to your check the $5 due on the first of this month.

You owe it to yourself and to us to pay promptly what you agreed to pay. Do not bother to write a letter in answer to this. Merely pin your check to this letter and mail now in the inclosed envelope.

Yours for success,

Procedure after the Threat Letter

If the delinquent customer, whether of a retail store, of a wholesale or jobbing house, or of an installment concern, does not respond to the letter threatening suit, a number of various procedures may be taken. One of the most common methods employed is to hand the account over to a collection agency which takes up the system at the point where the business house left off. It first sends the customer a notification of the fact that the business house has placed in its hands for collection an account against the customer. The first letter may read somewhat as follows:

Dear Sir:

Hodson, Miner Company have placed in our hands for collection an account amounting to $31.55, which they claim is due them for goods bought by you during the month of August, 1920.

When this matter was placed in our hands, we were asked by the concern to use as much consideration as possible in view of the fact that you have been a good customer of theirs. Accordingly, before we begin suit we desire to learn from you if there is any reason why you should not pay your bill. So now, before proceeding with other measures, we are giving you this chance to take care of your legal obligations.

If you wish to head off suit, you should see to it that your check for $31.55 is in our hands by noon, March 25.

Yours truly,

The series of letters sent out by the collection agency may consist of three or four or even more letters, each harsher than the preceding one. It should be noted that neither the collection agency nor the business house desires to bring suit until the collection letters have failed to get results. There are two reasons for this: (1) both desire to give the customer time in which to raise the money; and (2) the costs of bringing suit are high, and it is not always certain that if a judgment is secured this judgment can be collected, for the debtor may not have assets to satisfy it.

If the various collection letters used by the collection agency or by the attorney of the business house fail, action is then brought against the debtor if it is thought that he possesses assets enough to meet the judgment.

PROBLEMS

1. Assume that you are employed in the collection department of a large, high-class department store of Chicago, Illinois.

   (a) Write a form to be used as a first formal notification.

(b) Write a form to be used as a second formal notification.

(c) Assume that Mrs. George L. Blank, of 425 Noname St., whose husband is a well-rated business man, has failed to pay her bill for articles purchased four months ago. You have sent her four formal notifications. You are now asked to write a personal letter to her.

2. Assume that you are a collection correspondent in a wholesale house. One of your customers, H. M. Anonymous & Co., of 715 Elm St., Peoria, Illinois, has failed to pay his bill for three dozen assorted alarm clocks bought from your house three months ago. (Your terms are 2% 10, net 30 days.) You have sent several notifications without effect. Now you are asked to write a personal letter that points out to this company the necessity of maintaining a good credit record.

3. Assume that you are the manager of a hardware store in your city. You sell electric washing machines on the installment plan. Mr. Walter M. Blank, of 24 Water Street, bought a $150 machine on May 12. He paid $30 down and agreed to pay $10 on the first of each succeeding month until the machine is paid for. He paid promptly until the August 1 installment. Your notices are unavailing, and he has now also failed to pay his September 1 installment. It is now September 8. Write a personal letter urging him to remit $20 for the August and September installments.

4. Ackerson & Merill, a retail clothing concern of Noname City, owes a clothing manufacturer a past-due account amounting to $750. The account is 30 days overdue. To-day the manufacturer receives a letter requesting an extension of 30 days. No reason or excuse is given. Assume that you are asked to write and decline the request. Write the letter.

CHAPTER VI

Complaint and Adjustment Letters

The Importance of Complaint Correspondence

The work of answering complaints and adjusting claims requires a large amount of correspondence in almost every business. No matter how good the product is, or how efficient the service, dissatisfaction is certain to arise and to manifest itself in complaint letters. If these are properly answered, the financial loss to the company may be small, and there frequently is the compensation that business will actually be increased because of the good will of the customer and the favorable reports he gives his friends regarding the treatment he has received.

Until recent years complaints were generally regarded as an evil to be avoided. There have been cases, indeed, where complaints were deliberately pigeonholed or thrown into the waste basket on the supposition that if the complainant received no answer he might forget about the matter, or that the safest way to get rid of mistakes was to bury them. Nowadays a progressive business house considers a complaint an opportunity. One sales manager goes so far as to say that if his product were 100 per cent perfect he would instruct his factory to

turn out some imperfect articles because of the fact that complaints arising from this cause could be handled in such a way as to bind his customers closer to him. This is an extreme view and unnecessary as well. In the present imperfect state of human nature, there are certain to be plenty of mistakes to furnish a basis for complaint letters.

In few businesses is there a complaint department as distinct as the credit and collection departments. Ordinarily each division of the business handles its own complaints. Where a separate department exists for this purpose, the modern tendency is to call it an *adjustment department.* This name more truly indicates the point of view that should determine the policy. Like every other subject of correspondence, it should be viewed from the reader's standpoint, and the attempt should be to satisfy him.

In the mail-order house and department store this policy is frequently expressed in the maxim, "The customer is always right." There are indications that in some instances at least this liberality has been extended too far, with the result that it has been abused and that the rights of the customers, as a whole, have been sacrificed to the claims of individuals.

On the other hand, it is certain that many institutions, especially those included under the doubtfully appropriate term, "Public Service Corporations," might benefit from acceptance of this doctrine. While they have not the same incentive to maintain good will, because the public often has no alternative but to deal with them, they have already

discovered, to their sorrow, that public ill will is a dangerous liability. Certain railroads and express companies have been notorious for their dilatory policy in answering complaints and claims and their subsequent methods of putting as many obstacles as possible in the way of arriving at a settlement. These methods have involved a needless amount of expense and annoyance to customers and no little expense to the company as well. It is doubtful whether any conceivable saving that may have been made in actual adjustments has more than compensated the extra expense and the loss of friendship that have resulted.

The Spirit of Adjustments

Liberality of policy in allowing claims, however, is not the chief factor in complaint correspondence. Experienced adjustment men have discovered the basic principle that it is not the adjustment that counts, but the spirit in which the adjustment is made. It is possible to refuse a claim and still make a friend; to grant all that is asked and make an enemy. The following example illustrates:

A Poor Adjustment Letter

DEAR SIR:

We have carefully examined the three golf balls you returned to us recently with the complaint that they were defective and had cracked in play. We find that they were not defective in materials and workmanship and hence under our guaranty you are not entitled to replacement. Moreover, you evidently overlooked the fact that in no case do we agree to replace balls that show signs of usage. These bear such signs, and what you refer to as cracks are in reality cuts made by a niblick or other iron club.

This particular type of ball was designed for experts and we do not guarantee it to be proof against cutting when it is not hit properly. While we do not feel that you have any just cause for complaint in this instance, we want to be more than fair with you and are therefore sending you three new balls under separate cover.

Trusting that you will not experience further trouble, we are,

Yours very truly,

This letter gives the reader the adjustment he requested, but does it in a highly discourteous way. Not only does it suggest that he is a duffer, who has no business to be using a ball made for experts, but it also indicates that he is trying to get something he is not entitled to. No average golfer who observes the ideals of good sportsmanship would care to accept this kind of adjustment. There is, moreover, the danger that the letter will awaken suspicion by granting a claim which the writer specifically says is unjust. It suggests that the company was in the wrong, but was too proud to admit it.

If the writer in this or any other case grants the claim, he should also admit the fault, in part at least. If his company and product were not at fault, he should refuse the claim, but do it in a way that would render some service to the consumer. In this particular case he might have given advice that would have enabled the golfer to select and use a ball better adapted to his style of play.

Note how this is done in the following letter:

A Better Adjustment Letter

DEAR SIR:

We thank you for returning the three golf balls, Model 3A, which did not meet your expectations with regard to durability.

We want you always to call our attention to any article of our manufacture which for any reason fails to satisfy you completely. Only in this way can we be assured of maintaining our standards of quality and service at all times.

The marks on these three balls certainly look much like cracks, but our experts who are familiar with these matters, and who have examined the balls carefully, assure us that the cuts were made by an iron. This, of course, might happen with any player and any ball. It might especially happen to balls of this type in which durability has to some extent been disregarded for the sake of maximum distance and accuracy.

In saying this we do not wish to evade our responsibility for giving you satisfactory service. Our line of sporting goods is so complete that we have a ball to suit the needs of every player.

In your case we strongly believe that you will obtain far more satisfaction from our Model 4A ball. This has an exceptionally durable cover and does not differ appreciably from Model 3A in any other particular.

We are therefore sending you three Model 4A balls which we ask you to accept with our compliments. Many professionals and Class A amateurs use this ball in preference to any other. We want you to try them and if they do not fully meet your requirements let us know.

Allow us once more to express our appreciation of the opportunity of serving you which you have given us.

Very truly yours,

No comment is necessary to reveal the superiority of this letter. It does not attempt to put the reader in the wrong and allows him to draw his own inferences regarding the source of the trouble. Most important of all, it breathes the spirit of genuine service. It will tend to re-establish in his mind any good will that may have been lost and further increase that good will in a manner that is likely to result in future business not only from him, but from his friends also.

Another case of somewhat similar nature in which the writer refused the adjustment asked, but built good will, is shown in the following letter:

DEAR SIR:

After examining your 34x4 tire mentioned in your letter of May 10, we can appreciate how annoying your experience must have been. We are anxious to help you avoid a recurrence of the difficulties you have just experienced.

It happens that your tire was injured in exactly the same way as the tire whose illustration you will notice in the attached folder. If you will examine the illustration and read over the description we have blue-penciled, you will be able to save yourself the annoyance of further trouble like this.

In looking at this proposition from your point of view we can understand how you feel, and it is not our idea in bringing these matters to your attention to escape whatever responsibility may be ours.

However, we found these conditions in previous experience, and thinking it would be of value to you to know how to safeguard against a recurrence of the trouble, we offered the foregoing suggestion.

We want to go further than this, however, and it is this that prompts us to offer you a new tire at $22. In fact, we're anxious to have you try a new tire on the basis of the suggestion we have made, for we're naturally interested in seeing that you get the best service from our products. We are ready to send you the new tire just as soon as we hear from you.

Very truly yours,

Complaints Should Be Promptly Acknowledged

The first principle in handling complaints is to be prompt in replying. An acknowledgment should be sent, if possible, on the day the complaint is received. Often the facts of the case are not available at that time, but this is an advantage rather than a disadvantage. The writer is left free to ex-

press full sympathy with the reader and assurance that he shall be given satisfaction. He can also thank the reader for the opportunity of discovering any defects that may exist in the product or the service. Such a letter, if properly written, will restore friendship and build up good will. In most instances it will pave the way effectively for the letter of adjustment which follows and which is likely to find the reader in a less angry and combative mood. If it is possible to obtain the facts, of course, the adjustment should be made in the first letter, but in no case should the reader be kept waiting for a reply.

The following comparisons will illustrate the difference between a good and bad letter in which a complaint is acknowledged, but adjustment is deferred until an investigation can be made:

Bad

DEAR SIR:

I am in receipt of your letter of November 3, relative to incorrect charging of regular telegram rate on day letter of October 20, sent to you from Houston, Texas.

The matter will be carefully investigated and the result communicated to you as early as practicable.

Thanking you for writing to us on the subject, I am,

Very truly yours,

City Superintendent.

Better

DEAR SIR:

We thank you for your letter of November 8 and shall immediately make a thorough investigation. Upon the conclusion of

our inquiry, which will require some little time, we shall be glad to report the result to you.

In the meantime, please be assured that we regret the inconvenience and annoyance you have experienced, and we appreciate your courtesy in bringing the matter to our attention.

Very truly yours,

When the investigation is made it usually discloses one of four conditions:

1. There was some misunderstanding for which neither the writer nor the reader was wholly responsible.
2. Transportation companies, the mails, or some other party not connected with the writer or reader was at fault.
3. The writer, the writer's company, product, or service was at fault.
4. The reader or someone in his employ was at fault.

Avoiding Misunderstandings

When our reader does not understand the terms or conditions which govern our relations with him, it may seem that this is due to stupidity or negligence on his part. In Chapter II the fact was emphasized that lack of clearness must always be considered, in part at least, the writer's fault. In handling a case of this kind, therefore, his main effort is to render such an explanation as may serve to make the matter absolutely clear. There should never be any suggestion of blame for the reader's failure to understand the first time.

For similar reasons, there should be nothing in the letter that would suggest suspicion of his motives. There are cases, of course, and always will be cases, of readers who do not genuinely misunderstand, but who try to take advantage of any loophole in the

terms to obtain discounts or other concessions to which they are not justly entitled. Unless the writer is positive that he is dealing with a customer of this sort, and hence does not care to continue business relations with him, he should beware of anything that accuses the reader of bad faith.

Misunderstandings frequently arise in the accounting and collection departments. The customer, for example, deducts a discount or makes claims for reparations and allowances to which, under the rules, he is not entitled. Often the amount involved in the particular case is extremely small—so small, indeed, that it appears to be less expensive to say nothing about it than to enforce our rights. Such a policy, however, is likely to prove expensive in the long run and it is always unbusinesslike.

It is not only unfair to other customers who observe the conditions to the letter, but it also establishes bad habits in this customer. Even though the first case was due to an honest misunderstanding, he may discover later that he received something to which he was not entitled and may deliberately adopt the policy of making unfair deductions and short remittances, some of which are dangerously close to petty theft. For the sake of the principle involved, we should insist upon strict adherence to the terms in all cases.

The letter which handles this situation, however, should be written with extreme care. It should not content itself with a curt refusal to allow the deduction, or a blunt statement that the customer has misunderstood our terms. The whys and wherefores must be explained clearly and in a manner

that shows service to the reader. Obviously, it is of service to him to know that your terms are strictly enforced, so that no customer has advantage over another, and so that each one is given the benefit of the most liberal terms that can be granted. The average man will not try to secure special concessions for himself if he is positive that no one else is receiving such concessions.

To illustrate this type of situation, let us take the case of a retailer who purchased a bill of goods amounting to two hundred dollars. He returned goods he had previously purchased which were billed to him at one hundred dollars, and remitted within ten days for the balance. In deducting 2 per cent discount, to which he was entitled, however, he figured the discount on the whole two hundred dollars and therefore remitted only ninety-six dollars instead of ninety-eight dollars. Thereupon he was sent the following note:

DEAR SIR:

Acknowledging your remittance of June 24, we wish to call your attention to the fact that you have deducted a discount of $4, whereas the discount should have been $2. Please send us your check for the balance.

Yours very truly,

To this the retailer replied as follows:

AGATE SALES COMPANY,
CHICAGO, ILL.

DEAR SIR:

Replying to your letter of June 26, I wish to state that I paid your bill of $200 in full within ten days, and therefore was entitled to the discount of 2% which I took. My payment was

made partly in cash and partly in returned goods, but, of course, I cannot deduct anything from the goods; so I deducted the whole amount of $4 from the cash.

It seems to me like a pretty small piece of business on the part of a concern of your standing to try to deprive me of a discount which I have earned through prompt payment. I trust this will be satisfactory.

Yours very truly,

The case was then put in the hands of a correspondent who had a better understanding of the service viewpoint. He wrote the following letter:

Dear Sir:

We surely do not want to have any dispute with an old friend over a $2 bill, nor do we want you to pay it unless you owe it. On the other hand, we feel sure that you do not wish to have us allow you a larger discount than you are entitled to. So let's go over the last month's business and see where we stand.

You bought goods from us amounting to $200. If you pay for them in cash you deduct a discount of 2% ($4) and remit the remainder, $196.

But you did not actually purchase $200 worth of new goods because you returned $100 worth. You therefore added only $100 worth to your stock and paid for only that amount. To remit you should deduct a cash discount of 2% ($2) and send your check for $98.

Or consider the matter from another angle. The goods you returned were originally billed to you at $100, but if you took the discount on them, as you probably did, you paid only $98 for them. Whether you took the discount or not at that time, you were entitled to it and the goods therefore should be valued at $98 cash. If we were to accept them as equivalent to $100 cash and allow you to deduct $4 from the other $100, you would really be getting a total discount of $6 on the $200. Naturally you would expect us therefore to accept the returned goods only on the cash valuation at which we sold them, namely $98. Subtract that $98 from $196 and you get the same result, $98 due.

However, if everything doesn't look just right to you, don't send us the $2 additional. Give us the opportunity to make this absolutely clear.

Very truly yours,

It sometimes happens that customers, especially women, have received an unfavorable impression of us through misunderstanding statements made by clerks or other representatives. This can be guarded against to some extent by properly training all employees to explain matters clearly and courteously in the first place. In spite of such precautions, however, these unfortunate misunderstandings do occur. As a result, the customer in many cases makes no complaint at all, but simply withdraws her patronage. As will be seen later, in Chapter X, the wide-awake sales manager tries to bring these grievances to light so that they may be handled and the customer brought back to the house.

If by good fortune the complaint is expressed immediately, it should be answered in a friendly, co-operative way. The cause of the complaint should be sought out and corrected and the complainant should be given assurances of satisfactory service in future.

It is quite essential that no attempt be made to put the complainant in the wrong or make her share responsibility for the misunderstanding. Statements like the following are particularly dangerous:

You evidently misunderstood our representative.

We cannot understand how you can have secured this impression.

This is the first complaint of this sort we have received, as our clerks are carefully trained in courtesy.

Our representative assures us that he never made such a statement.

Even though the investigation does not indicate that our company or our representative was in any way at fault, the safest way is to accept the blame for the misunderstanding and apologize. The following letter shows a satisfactory handling of this sort of situation:

GENTLEMEN:

I was glad to have your letter of November 1, as it gives me an opportunity to explain our position with respect to the changing of your clock from Daylight to Standard time. It is evident that the person who talked with you over the telephone did not give you a true impression of our attitude.

First, let me assure you that our Time Service Department has been instructed to send an inspector to make the change for you. We are always glad to do everything possible to serve our subscribers in this or any other way. It has happened that we have had only one or two previous requests to make the change, because most of our subscribers have preferred to do it themselves, but in these few cases we have made the change they requested.

We deeply regret that you have received an impression of discourtesy on the part of a member of our organization. It was, we feel sure, unintentional. At any rate, we shall try to prevent its recurrence.

If at any future time you wish any service of this kind, please feel absolutely free to call on us for it.

Very truly yours,

Handling the Ordinary Routine Complaint

In a large percentage of cases investigation shows that conditions complained of were due to inefficient

service of the transportation company or some other intermediary. Where this occurs, the adjustment of the complaint is usually easy and is not complicated by any danger of offending the reader. About all that is needed is a cordial expression of sympathy, a clear explanation of the facts of the case, an offer of such reparation as is practicable, and an assurance of extraordinary precautions to prevent recurrences of the defect. What the exact reparation should be depends upon circumstances and upon business policy. A lost shipment of goods may be duplicated, damaged articles may be replaced, refund may be made and claims instituted against the railroad or other carrier.

The only general rule that can be stated is that we should give the reader all the service that is practicable. Some companies take advantage of clauses in their terms of sale which relieve them of all liability after the goods have been accepted by the carrier, but the far-sighted company does not confine its responsibility to what is legally required. The following letters will illustrate the right and wrong way of handling a routine complaint:

Bad

Dear Sir:

We note by your letter of April 4 that the shipment of garden implements which we promised to send on March 16 has not arrived. We cannot understand why this is, because the shipment left our warehouse on March 14, two days before we promised.

As you know, our responsibility ceases when we make delivery to the railroad. Inasmuch as we made shipment two days ahead of the requirements, we do not feel that we are to blame.

We are, however, having the shipment traced and will advise you as soon as we have anything definite to report.

Yours very truly,

Better

DEAR SIR:

Needless to say, we regret to learn from your letter of April 4 that you haven't received our shipment of garden implements which left here March 14. Having in mind your former letter, we were particularly anxious to give you good service and we did succeed in making shipment two days earlier than we promised.

To have this shipment held up somewhere on the way is certainly as annoying as it is unexpected.

We have already started a tracer and will make every effort to locate the shipment at once. If there are any items which you particularly need for your trade at this time, just let us know and we shall send them by express immediately.

Yours very truly,

Small claims of damage or shortage are particularly vexatious because replacement involves a larger expenditure of time and money than is usually warranted, and the process of recovering from the carrier is notoriously long and expensive. On the other hand, such claims must be adjusted in some way that will leave the customer satisfied. Some adjusters grant cash allowances to settle claims of this sort, but this is an objectionable method because it tempts the customer to make future claims of the same sort that are unjustified. In many instances the adjuster has found that he can satisfactorily handle the situation by pointing out to the customer the delay involved in replacement and by substituting a method of repair that will restore the article to practically its original condition. In the case of furniture, for example, he may

send a can of furniture polish. In the case of blankets he may send a bottle of cleaning fluid. These are only examples of the devices that have been satisfactorily used to adjust complaints of this sort. In all cases, of course, it is essential to sell the reader on the idea that this adjustment is offered for his benefit rather than for that of the seller. To that end, it is wise to make an offer of replacement at the very beginning of the letter.

A somewhat similar case arises when the wrong goods have been shipped either through a mistake of the house or a mistake of the buyer in failing to specify the exact model desired. The following example shows an effective way of handling this situation:

DEAR SIR:

That we failed to send you the correct style of lighting fixture on your last order is a matter of keen regret on our part. Of course, we shall be glad to exchange them if you wish.

We noticed from your letter that you wanted them for a rush order; so rather than delay shipment while writing for further instructions we selected the "Success" burner, which has been our heaviest seller. Now we can see that we should have written you first.

A shipment of one gross "Acme" burners is already on its way to you.

We should not be surprised if you will find a ready sale for the "Success" burners you now have. Their automatic feature has made them very popular. But if not, we shall be glad to credit you with them upon their return.

Very truly yours,

Answering the Just Complaint

If investigation shows that the complaint is justified and that our own defective product or service

was responsible, our procedure is obvious. We must admit the fault in a frank but dignified way. There may be some extenuating circumstances that are deserving of mention, but these should not be overemphasized. Still less is it helpful to seek out flimsy excuses. The reader will have far more respect for us if we admit our errors than if we try to crawl or "pass the buck."

We should also offer as complete reparation for his loss as is consistent with the policy of fairness to all. It is rarely possible, of course, to compensate the complainant entirely for the losses he has suffered. A telegraph company may, by failure to deliver a telegram, involve the sender or the addressee in a useless railroad journey, or loss of time or salary or possible profits. Obviously, the telegraph company cannot undertake to settle all these losses; especially if they could have been prevented had the sender made use of all the precautionary measures that were available; the company may, however, refund all the charges paid for the messages that failed of their purpose. Other business houses commonly limit their liability to direct losses, and do not compensate for contingent or indirect losses. The cash adjustment policy of a company is dependent upon too many factors to be discussed here.

The one requirement that may be said to be universal is that it should not be a policy of higgling—of offering less than is reasonable and less than the company is prepared to allow, on the theory that the complainant will get weary of the task of securing adjustment. This policy on the part of a few shortsighted companies makes trouble for all the others,

by influencing complainants to exaggerate their claims and express their complaints with savage violence, so that when the claim is whittled down they will get about what they expected.

From the standpoint of the letter writer the precise nature of the adjustment is not of great importance provided it is based upon a policy of justice and fair dealing. What is vitally important, as suggested at the beginning of the chapter, is the spirit in which the adjustment is made. It ought always to be offered gladly, not grudgingly, and should be accompanied by such expressions of sympathy—genuine sympathy—as will indicate the writer's desire to make all possible amends. If there is any likelihood that the adjustment will seem less liberal than the reader expected, it should be prefaced by some statement of the method by which it was determined.

The following letter is a good answer to a just complaint:

DEAR SIR:

I have ascertained that the night letter you filed in Orange, N. J., on October 23 addressed to Ralph P. Smith, Bishop Hall, Phillips Academy, Andover, Mass., was promptly and correctly transmitted to Andover, reaching there shortly after the office opened on Sunday morning, October 24. A messenger was promptly dispatched with it and should have effected delivery by 10 A.M. Inasmuch as he has since been dismissed from our service because of unsatisfactory work, our Andover manager has been unable to ascertain why the message failed to reach the addressee until 7 P.M., October 24.

In view of the fact that our service was not up to the standard, I venture to make such amends as are possible at this time, by returning to you, in the form of the inclosed check, the amount paid as tolls on this message. I trust that you will accept this

refund with my apologies for the annoyance and inconvenience caused, and with the assurance that measures have been taken to prevent a recurrence.

Yours truly,

Handling the Unjust Complaint

To the novice it might seem easier to handle an unjust complaint than a just one. The expert, however, has found by experience that the task is much harder. From the standpoint of legal liability, of course, his position is strong, but the difficulty of maintaining or restoring good will calls for a delicate but firm handling of the situation. Human beings are always loath to admit they are in the wrong even in the face of the strongest evidence. There is little danger of losing good will when you say to the complainant, "I was at fault; I admit it, and I am sorry." There is grave danger when you say, "Your complaint was unjustified; you were at fault yourself."

As a matter of fact, the letter should never say just this. The temptation to do so is almost irresistible when the complainant has combined insults with his accusations, and the facts prove conclusively that the fault was his. There may be sweet satisfaction in writing a letter that shows the other fellow "where he gets off," but it is not of an enduring kind, while the humiliation the reader feels may be remembered a lifetime. However great the provocation in a complaint, the answer to it should never try to force an admission of error or an apology. Admissions and apologies must be given freely if at all, and they will usually be given provided the right sort of letter is sent.

It is desirable, of course, that our answer to an unjust complaint should clear ourselves of blame. A simple recital of the facts will do this. The source of these should be specified, if any question of their accuracy is likely to be raised. Thus:

Our delivery records show that.....

The address given in your letter was.....

The express receipt indicates.....

When we clear ourselves of the blame, we enable the reader to discover for himself where it rightfully belongs, but in that case his resentment is directed against himself rather than against us.

Some writers even go so far as to make excuses for the reader when it is proved that the mistake was his. They insert such sentences as the following:

No doubt your bookkeeper overlooked the date in making out the remittance.

We have had other instances in which the similarity of the names caused some confusion.

Presumably your stenographer made a mistake in copying the address.

This policy is dangerous for the inexperienced, because he may make a bad guess, or may introduce a patronizing tone that is as offensive as an accusation. Moreover, the writer can hardly afford to jeopardize the reputation of his own house by the appearance of timidity. By using too much tact in handling unjust complaints he may suggest our

anxiety to retain the complainant's trade at any cost.

Tone in Adjustment Letters

The adjustment letter, more than any other kind, depends for its success upon its emotional effect. All that has been said about the qualities of *Courtesy* and *Character* (see Chapter II) applies with special force, and may profitably be reviewed at this point. Some additional suggestions may also be found helpful.

The same ideas may be presented in a number of different tones, just as the same melody may be sung in several different keys. To find the one key that will be most suitable and agreeable is not always easy. Consideration of the reader's character and mood will help greatly in finding it. The test of reading a letter aloud after it has been finished will frequently reveal its defects of tone and style.

A sharp tone is always dangerous. The short sentences and paragraphs that are desirable in most business letters because they are easy reading should be used with caution in adjustment letters. Words of negative suggestion, like *claim*, *suspect*, *refuse*, *neglect*, should rarely be introduced. The following illustrates:

A Sharp Tone

We were surprised at your complaint. The booklets were printed exactly as you specified. You O.K.'d the sample of paper and the typographical make-up. You chose the fine-screen half-tones, against our advice. You insisted on delivery by the 16th and a rush job does not permit first-class press work. Moreover, we quoted you a rock-bottom price. Under the conditions we believe any unprejudiced person would admit that we did remarkably well.

A humble tone is almost as bad. It may not be so likely to offend, but it suggests a jellyfish character. Sometimes it has the effect of sarcasm, and the reader has no way of knowing that this is unintentional. A small tradesman may sometimes disarm his opponent by excessive humility, but a house that has a reputation to maintain can hardly afford this tone. It usually results from the too lavish use of polite terms and apologies.

The Humble Tone

We thank you for your kind letter regarding the defects in our printing job, but are extremely sorry that you had occasion for writing it. We wanted especially to please you this time and tried to do everything just as you asked. After losing money on the job it is most disappointing to find we have not satisfied you. We quoted a price that left us no profit and we gave the work precedence over our other work so that you would be sure to have it in time. If you could have seen the difficulties we had to contend with we feel sure you would excuse the defects in the work and give us another chance to show you the class of work we are capable of doing.

A superior tone is irritating. The reader resents instruction, though he may welcome reminders. Where it is necessary to teach him anything, it can be done in a way that will not seem patronizing. The following shows the superior tone:

The Superior Tone

Your dissatisfaction with the finished booklets we delivered yesterday was not unexpected. We warned you that it was unwise to use fine-screen half-tones on that grade of paper, and also told you that if you rushed the press work the quality would suffer. Most of our clients have learned by this time that our 38 years of printing experience is a safer guide than their own judgment. If we are to blame in any respect it is in

allowing ourselves to be guided by your specifications. We would suggest that in future you follow the advice of your printer.

It is unnecessary here to present the whole gamut of tones in adjustment letters. These examples will indicate a few of the more common keys that result in discords. There is, of course, no one right tone that is always suitable. Circumstances and readers differ and each of the innumerable combinations has to be considered in adopting the style that will be effective. The following, therefore, is offered simply as an illustration of a tone that is courteous, and would usually have the desired effect:

The Courteous Tone

We agree with you that the booklets are not up to the high standards you have a right to expect from our company. We understood, however, that you considered quality in this case to be less essential than low price and prompt delivery, and hence put the work through in five days less time than we ordinarily require. Possibly you will recall that our pressroom foreman advised against using fine-screen half-tones on the grade of paper you specified. As a matter of fact, he took unusual pains and succeeded in securing better results than are ordinarily possible. We mention these facts, not with the idea of evading our responsibility, but merely to indicate that we did the best that could be done under the circumstances. If you can allow us a few additional days next time, we believe the results will satisfy you in every respect.

PROBLEMS

1. Assume that you are in the circulation department of the *American Boatman*, a publication devoted to the interests of owners and builders of boats. You receive a complaint from a subscriber that when he gave his subscription to your representative, Mr. James Dunn, the latter prom-

ised to have a premium book, *The Boater's Guide*, sent to him immediately. He has not received it.

Your investigation is unable to discover whether this promise was actually made or not. As a rule, the premium book is not sent until the subscriber pays the full subscription price—five dollars. Probably Mr. Dunn did not make this clear to the subscriber. Write him a letter, explaining the situation and notifying him that *The Boater's Guide* is being sent by the same mail.

2. The firm of Marks Brothers, Detroit, Michigan, is an extensive advertiser in your publication, *Shop Talk*. They ordered 100,000 reprints of an article that appeared in your pages. These you agreed to print in your own plant and bill to them at cost. Subsequently they cut down the order to 5,000 copies. After sending the reprints you sent them a bill for $115. They complain that the price is too high and claim that they could get the same work done in Detroit for $50. You find that the high cost was due to the following facts: Three sets of printing plates were made, because of the large edition of 100,000 that was originally ordered; the forms were placed on the press three times and then removed because of a change of orders; printing costs in New York are generally higher than those in the West. Write a suitable adjustment letter in which you offer to allow Marks Brothers to name the price they feel is right.

3. Assume that you are in the mail-order department of Hamilton Heath & Co., a Chicago department store. On June 20, one of your good customers, Mrs. Thornton Cass, of Evanston, Illinois, writes from her summer home at Lake Geneva, Wisconsin, to complain that some furniture she ordered for her cottage there was delivered in damaged condition. As it arrived before she opened her cottage for the summer, the caretaker accepted it and signed for it without inspecting its condition. She says: "The fireside chair is scratched on both arms, and the table is badly scratched also." It happens that all the furniture is finished in antique oak with no varnish. You feel sure that Heathcote Antique Polish will remove the blemishes. Write a suitable adjustment letter, urging that she try the polish you are sending her, but do not refuse to exchange the furniture if she prefers this settle-

ment. Show the service to her of the adjustment you propose.

4. Assume that you are in a firm of manufacturers and jobbers of silver-plated ware. Joseph Doche, a jeweler of Springfield, Illinois, ordered from your catalogue a full set of your Vivian design and specified immediate delivery, as it was desired by one of his customers for a wedding gift. Through an unfortunate mistake in your shipping department, the package was misrouted to Springfield, Massachusetts, and arrived too late. Mr. Doche writes angrily that the customer refuses to accept it because he has supplied his needs elsewhere. He claims that the set is useless to him now and that he will not pay for it, but will hold it for your orders. Write a conciliatory letter, offering him an extra discount of 10 per cent if he will pay for it now, or to leave it with him to be paid for at the regular price when sold. Point out its value to him for display purposes.

5. Assume that you have received the following letter:

OAKDALE, PENNA.,
January 17, 19....

RICHMOND & PETERS,
PITTSBURGH, PENNA.

GENTLEMEN:

I am returning the satin wrap which your delivery man brought last Wednesday, January 11. It came too late to be of use. I told your clerk distinctly that I must have it by January 10, because I wanted it for an important affair that night. I cannot understand why you do not take more care with the orders of a good customer. Unless I get better service from you I intend to do my shopping elsewhere.

Very truly yours,
MRS. VINCENT STEARNS.

Your investigation of the delivery books shows that the package was actually delivered before six o'clock on January 10. Your inspection of the wrap shows that it has been worn. Write a courteous letter to Mrs. Stearns, declining to accept the wrap and notifying her that her account will be charged with it.

CHAPTER VII

Letters Applying for Positions

The Importance of the Application Letter

Every man and woman who plans to enter business or who, for that matter, is already in business, should know how to write a good, strong letter of application for a position. Although there are other methods of applying, such as by personal solicitation and by advertising, yet the most generally used and also probably the most effective method is by letter. Such a letter is called an application letter or letter of application.

The ability to write such a letter is extremely valuable, for it may some day mean to you the difference between getting and not getting a much-sought-for opportunity; the inability may mean discouraging delays in getting a job, second-rate positions when you might have been able to secure a first-class one, and, in general, wasted opportunities. The possession on your part of such qualifications as education, training, and ability is not sufficient alone—you must know how to sell them to the best advantage to yourself. Few if any good jobs will ever be voluntarily offered to you. Men seek good jobs; but good jobs seldom need to look for applicants. And the possibilities are that you, like most men, will be compelled to search for the job you

want and then to sell your qualifications to the employer.

Finding the Market for Your Services

To market your services to the best advantage to yourself demands that you know where to offer your services for sale. If you solicit a job in a hit-or-miss fashion, you will only cause yourself needless work, and in the end you will probably not get such good results as you would if you had carefully studied your market before you took any action.

When the United Cigar Stores Company is planning to open a new store in a city, it does not accept the first property offered; nor does it take a chance that a certain location is the best one available. Rather does it try in an intelligent way to find the place that is the best location in which to offer its goods for sale. To accomplish this purpose its trained investigators seek to discover the corner or site past which the greatest number of men go. Such a spot is usually the best place in which to market its products—tobacco and accessories. The man or woman who is looking for a position is confronted with a somewhat similar problem—*i.e.*, to find the place to offer his services—to find the list of prospective employers who may have need for his services, who can afford to buy them, and who can give him what he wants in the matter of opportunities, experience, and salary.

Attracting Favorable Attention

The letter applying for a position is a sales letter because it is attempting to sell something—*i.e.*, per-

sonal services. Since it is a sales letter it should perform the following four functions of selling:

1. Attract favorable attention.
2. Create desire.
3. Convince.
4. Stimulate action.

The first step in selling is to attract favorable attention. Before the salesman can start to create desire for his goods in the mind of the prospective customer, he must first get round the office boy and secure the customer's attention. He must get the customer to listen to him and to be disposed favorably toward him. The good salesman knows how valuable in accomplishing this purpose is his personal appearance. The better dressed he is the less chance is there of the office boy refusing him admittance and the more consideration will he receive from the customer. He knows also that at the beginning of his sales talk he must use his best efforts to secure the customer's favorable attention.

The same qualities that help the salesman to attract favorable attention will help the letter of application to achieve results; that is, the letter of application should make a good appearance and the opening paragraph should secure the attention of the reader.

It sometimes happens that an employer, instead of reading or even glancing through each of fifty to one hundred and fifty letters of application, will select merely five or ten of the best-looking letters for consideration. He does this either because he is limited for time and does not wish to

burden himself with the consideration of each and every application; or because the good-looking letters attracted his attention first; or because he has learned from experience that a poor-looking letter usually means a poor applicant, and a good-looking letter a good applicant. Whatever the reason, there is little doubt of the fact that the letter of good appearance has a better opportunity of being read than has the letter of poor appearance.

Even though the employer is conscientious in giving careful consideration to every letter of application, he is usually just as much inclined as other types of employers to be more favorably disposed toward the writer of the letter of good appearance than toward the writer of the letter of poor appearance.

How to Make Your Letters Good-looking

The appearance of the letter depends upon three things, as follows:

1. Stationery.
2. Form and arrangement of material on the letter sheet.
3. The writing or typewriting.

First of all, the stationery used should be regular business stationery (size, eleven by eight and a half inches)—not social stationery (the four-page or folded sheet). This letter sheet should be of a good quality bond. You can buy a few sheets of such paper, with envelopes to match, at almost any stationery store. The color should be white. Do not use hotel, fraternity, or club stationery, for such use often creates a prejudice against you in the mind

of the prospective employer. It is also safer practice not to "borrow" letter sheets bearing the name of the concern in whose employ you may happen to be at the time of writing the letter.

The heading of your letter, consisting of your address and of the date, should be placed in the upper right-hand corner of the letter sheet, about one inch down from the top of the sheet and with its lines ending about three-quarters of an inch from the right-hand edge. The inside address (name and address of person or concern written to) should begin about three-quarters of an inch from the left-hand margin and about two and one-half inches from the top of the sheet. Leave a good margin at both sides of the sheet (at least three-quarters of an inch), and at the bottom (at least one inch). It is often a good practice to use headings, such as *Education*, *Experience*, and *References*, before the paragraphs dealing with these matters. Study the mechanical make-up of the letters shown on pages 189 and 197.

If at all possible, always have your letters typewritten. A typewritten letter has a big advantage over a handwritten letter because it looks much better, is more easily read, and, since the large majority of letters received will be in handwriting, it will stand out conspicuously. If you cannot get some one in a business office to type your letter for you, go to a public stenographer and have it done, even though you can ill afford the expense. Typewriting your letter may easily mean the difference between getting and not getting the position you want; it may mean the difference between writing

Yale College,
New Haven, Conn.
May 15, 1921.

The J. F. Smith Co.,
Mahan Building,
New York City

Gentlemen:

From conversations with various men interested in the advertising field, I have learned that your company is ranked as one of the best advertising agencies in New York. It is for this reason chiefly that I am writing to you to ask you to consider my application for a position as assistant to one of your account executives.

I am at present a senior at Yale College and shall be graduated about June 20. I am 22 years old. During my college course I have specialized in English and in

THE ORDINARY HANDWRITTEN LETTER OF APPLICATION

Yale College,
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From conversations with various men interested in the advertising field, I have learned that your company is ranked as one of the best advertising agencies in New York. It is for this reason chiefly that I am writing to you to ask you to consider my application for a position as assistant to one of your account executives.

I am at present a senior at Yale College and shall be graduated about June 20. I am 22 years old. During my college course I have specialized in English and in economics. I have also had a little experience with advertising work, having helped to secure accounts and to write copy while I was a member of the business department of one of the college publications - The Yale Record.

My short experience with advertising has made me feel that I should like to make it my life's work. I have found that I like to meet and talk with prospective clients about their advertising, and believe that I have been of some assistance to them in preparing copy.

I am willing to start from the beginning so that I can secure a good foundation in advertising knowledge.

If you will let me know when I may see you at your offices in New York, I shall be glad to go down so that you can judge me at a personal interview.

Yours truly,
George R. MacKay
George R. MacKay

THE SAME LETTER IMPROVED BY BEING TYPEWRITTEN

two letters (typewritten) for positions and writing ten letters (handwritten), together with the resulting delay in getting the job.

Compare the two letters shown on pages 188 and 189. One is typewritten, the other handwritten. Is there any doubt in your mind that the typewritten letter looks much better? Wouldn't you rather read the typewritten letter than the other? So would the prospective employer.

Some of the advertisements for the lower class of positions contain the expression "Reply in own handwriting." This is put in because the position advertised is usually for a bookkeeper or clerical worker whose work calls for quite a bit of writing and figuring, and the employer wishes to judge from the letter whether the applicant writes a neat, legible hand. It is sometimes put in to insure that the applicant himself writes the letter, not some older person. As a general rule, however, even if such an expression does appear in an advertisement you are answering, it is not unwise to disregard it, to have your letter typewritten, and then at the end of your letter to write several lines in your own handwriting, together with a sample of your figuring, with the explanation that you are submitting them as samples of your handwriting and figuring.

The First Paragraph of Your Letter

The beginning of a letter of application is probably the most difficult part of the letter to write—that is to say, it is difficult if you are striving to make it a good beginning. To be sure, it is easy enough to start out with such a commonplace open-

ing as, "Having seen your advertisement in the New York *Times*, I thought I would write." But to begin with a paragraph that is not hackneyed, a paragraph that is different and stands a chance of lifting your application out of the ruck, demands some little originality and thought.

Remember that the opening paragraph of the letter is like the headline of an advertisement in that one of its chief purposes is to attract attention so that the whole material will be read. An ordinary beginning does not arouse any interest to read farther. A beginning out of the ordinary not only arouses interest, but also indicates that the applicant himself is out of the ordinary. A letter that stands out on account of the excellent manner in which it is written certainly indicates ability. *A good man may write an ordinary, commonplace letter; but a good letter is seldom written by an ordinary applicant—and the prospective employer knows it.*

In your efforts to get a different kind of beginning, do not commit the mistake of making it eccentric, foolish, or forced. But say what you want to say in a manner that has not been worn threadbare. Get away from such beginnings as the following:

Having seen your advertisement in the Chicago Tribune for a position as correspondent in a credit department, I thought I would write . . .

In response to your recent advertisement in the Journal, I beg leave to apply for the position. . . .

Such beginnings as the following are better:

To indicate that I can fill to your satisfaction the position as correspondent in your credit department, I am giving my qualifications in detail below:

In applying for the position of salesman in the bond department, I wish to show how I can meet your requirements.

If it were possible, one of the best ways for you to assure yourself that I am a really good bookkeeper would be to come to my present place of business and see how well I keep my books. . . .

The best evidence that I can offer you to show that I am the man for the salesman's position you advertised in to-day's Herald is that last year my sales to jobbers were over $125,000. . . .

Your advertisement for a junior accountant states that you want "one who has had experience in preparing income tax reports." During the past year I personally prepared or assisted in preparing more than 300 reports, of which number more than 25 were those of large mercantile establishments. . . .

It is not necessary to state the fact that you saw the advertisement in a certain newspaper or magazine.

Whenever a special or essential requirement is contained in the advertisement (such as, "must prove ability to sell," "should have had previous experience in export trade"), showing that you have the desired qualification usually makes an effective first paragraph. This is so because the employer is particularly interested in this point, and if you discuss it at the beginning of your letter the chances are that he will become interested in your letter.

Beware of an egotistical beginning, such as: "You need not look any farther. I am the man for the place." Although such a beginning is out of the

ordinary and would probably attract attention, the reader might react unfavorably to it. He might think, "This fellow is too fresh." On the other hand, the humble, pleading, and unassertive types of beginnings are to be avoided because they are weak. The most effective type of beginning is that which is original, interesting, and arresting.

Other Means of Attracting Attention

Not only is it possible to attract the attention of the reader by the good appearance of your letter and by the different style of your opening paragraph, but it is also possible to get his attention by other means.

One method is to use a large envelope instead of the usual No. 6 business envelope. A No. 10 or a legal-sized envelope could be used. The larger-sized envelope will often attract attention to the letter. Sometimes it may be advisable to put red ink on the lower left-hand corner of the envelope —and similar methods may be used to attract attention to the envelope and then to its inclosure.

Creating Desire

Creating desire for your services is the second step to be taken. It is usually performed by describing your qualifications for the position in such a way that the prospective employer is made to believe that you would make him a desirable employee and that your application should, therefore, receive careful consideration.

In most advertisements of "Help Wanted," cer-

tain definite requirements are set forth, as they are, for example, in the following advertisement:

> CORRESPONDENCE
>
> A service corporation has an opening in its correspondence department for a young man with a comprehensive knowledge of English and sound business judgment; this is an opening which offers a splendid opportunity to study high-grade business correspondence and correspondence supervision, carrying with it unusual chances for advancement; let your reply tell us why you feel particularly qualified for the position and state your education, experience, and salary expected. W 367, Times.

Since in this instance the employer describes the requirements for the position, and in order that you may create desire in his mind for your services, *you should meet each of the requirements that you can by describing in detail your qualifications.* The more squarely you can meet his needs, the better chance you have of making him want you. In other words, the employer has already made up in his mind a picture of the kind of man he wants. Your problem is to show him how well you fit his picture of that man. In order to fit yourself into the picture, you should, before writing your letter, list the requirements. This employer desires a man who

1. Is young.
2. Has a comprehensive knowledge of English.
3. Has sound business judgment.

He wants you to state

1. Why you feel qualified for the position.
2. Your education.
3. Your experience.
4. Salary expected.

After you have made up a list of the requirements as called for by the advertisement, the next step is to consider how you are going to meet each requirement, in what order of arrangement you will take up each point, and the relative importance of each point so that you can emphasize, by giving details, those points which are of the greatest importance in showing your fitness for the position.

One order of arrangement that might be used is as follows:

1. Age.
2. Education.
3. Experience.
4. Knowledge of English.
5. Business judgment.
6. Why you feel qualified for the position.
7. Salary expected.

Such an order of arrangement of topics is logical, and each point leads into the next. Of course, if you can show that you have had a specialized training for the position, or that you have done something that makes you especially well fitted for the job, you may depart from the order outlined above and secure added emphasis by placing such a point first. A proper order is secured by careful thought and by considering just how one point relates to and leads into the next or prepares the way for it. In the order given above, for example, details of your education and of your experience may help to show that you have a comprehensive knowledge of English and a sound business judgment. "Why you feel qualified for the position" logically comes next, for in discussing this point you will make use of the facts about your education and experience

already outlined in your letter. The question of salary is logically left until the last, because the price of your services should not be mentioned until after you have "sold" the prospect, until after you have made him feel that you are the man for the place. If it is possible to do so, it is often best to leave the question of salary to the time of the interview.

The next question to decide is, "What is the relative importance of each of the seven points?" Since the employer wants a correspondent whom he wishes to train in correspondence supervision, knowledge of English is one of the most important requirements. The applicant not only must be able to use good English in his own dictation (it is especially important in this job because the employer says that it is a high-grade business), but also must he have a comprehensive knowledge of English in view of the fact that his work of supervising correspondence demands that he be able to correct the English of other dictators.

The second most important requirement is sound business judgment, for, although the applicant may have a good command of English, he may not possess business judgment and may, therefore, be unable both to handle his own letters in a good business way and to correct errors in business judgment made by the correspondents whose letters he will supervise.

Since these two points (knowledge of English and sound business judgment) are so important, you should go into them in detail. And it should be said at this point that *the better you understand just what the employer wants, the better you can show how*

Age	22
Education	I am a graduate of Lawrenceville Academy. I received my degree of B. A. from Princeton this past June.
Experience	During the past two summer vacations I was employed as a correspondent in the general offices of the Banister Company of Newark, N. J. I not only gained considerable experience in dictating letters, but I also handled a large number of my letters by means of a form-paragraph manual, with the result that I am acquainted with this method of taking care of routine correspondence. I have also had experience in the use of dictating machines.
Knowledge of English	I received a sound training in the fundamentals of grammar and rhetoric at Lawrenceville Academy. At Princeton I took two courses in composition and several courses in English literature. I always received good grades in my English courses. In addition, while I was working for the Banister Company, I studied several books on letter writing and business English. I also wrote several articles which were printed in the college publication.
Business Judgment	I believe that the experience and training I received at the Banister Company have developed my business judgment. I have learned how important it is to have every letter attempt to build good will. I realize how necessary it is to consider the viewpoint of the reader.
Why I Feel Qualified	I feel that I am qualified to fill the position because of my training in English, my experience in writing letters, and the study I have given to business letters. I am particularly interested in correspondence supervision and desire to specialize in it.

ARRANGEMENT OF LETTER OF APPLICATION

your qualifications fit you for that work. Hence, in answering an advertisement, read it through several times and try to see the kind of work that the new employee will be called upon to do. By doing this you will be able to write a letter that indicates that you know exactly what the employer has in his mind regarding the kind of employee he desires. This knowledge, also, will help you to select from your education, experience, and other qualifications just those points that will be most effective in causing the employer to feel that you are the man for the job.

The letter on page 197 shows how this part of the letter (creating desire) is accomplished.

In describing your qualifications, be specific. Do not use such general terms as, "I have had a good education," or, "I have received a fine training." Tell what your education consists of, or describe your training in detail. Nor should you make such general assertions as, "I am honest and enthusiastic," or, "I am ambitious"; they are too general to count.

Convincing the Reader

The third function that the letter of application should perform is convincing the reader. In creating desire you may make certain assertions. You *say* you "have good business judgment"; that you are "able to collect money by mail." It is necessary, however, that you *prove* what you assert is true. This is called convincing the reader and it is accomplished by the use of logical reasoning and evidence. As a rule the process of convincing the reader

is carried on along with the process of creating desire. In the letter of application shown on page 197 you may have noticed that the writer attempts to prove, by the use of logical reasoning, that he has a sound knowledge of English; he brings out the fact that he received a sound training in grammar and rhetoric at Lawrenceville Academy; that he took several English courses at Princeton; that he "always received good grades" in English; and that he has studied books on letter writing and business English. In addition, he offers his letter as evidence of the fact that he knows English.

A common fault found in many letters of application is that the writer fails to supply logical reasoning or evidence to back up his assertions. He *says* he is a "good credit man," but he does not attempt to prove it. He *says* he has been "very successful as a salesman," but he fails to offer any evidence in support of his statement. *The applicant must prove his case*—he must prove to the prospective employer that he really does possess the desired qualifications. The mere statement that he has them is not sufficient.

Past experience in the same type of job is usually the most effective way to prove that you can do the work. But if you have had no experience in that kind of work, it is still possible to show that you can do it by giving evidence that you have had experience of a similar kind. For example: If you are applying for a position as a salesman of a wholesale hardware company, you might be able to say that in college you solicited advertisements for your college paper or magazine.

If you cannot show that you have had business experience of any sort, you can at least impress the prospective employer with the fact that you strongly desire the job, and that, even though you have had no experience in such work, yet you feel you can handle it. While ordinarily what a man wants does not influence the reader, still in the case of a letter of application the expression on the part of the writer of his strong desire and ambition to get into a certain kind of job serves as evidence that he really "means business." This is the kind of man employers want. An example of this type of evidence is shown below:

Although my father wishes me to go into law and has offered me a position in his law office, I have always had a strong desire to go into the banking business—and especially in the trust company field. At college I always liked the study of economics, financial history, and finance, and I honestly feel that I shall make good in the position open with your company.

Very often the letter itself that the applicant writes is the best kind of evidence, for it shows his ability, originality, power to think and write clearly, and many other qualities. Many employers judge the applicant almost entirely on the basis of his letter. From experience they have learned that it takes a good man to write a good letter of application, and from experience they have acquired the ability to pick applicants for interviews from their letters. This is another reason why you should try to write the best letter you know how.

References

References from former employers and from others are also of use in convincing the prospec-

tive employer that you are the man you claim to be. It is well to bear in mind, however, that many prospective employers have learned from experience that unless there is something very bad against a man, he can usually get a letter of recommendation from the employer that he is leaving. You should not, therefore, rely too much on your references or on your letters of recommendation.

References and letters of recommendation have more weight in some instances than in others. A bank or trust company, for example, would "look you up" much more carefully than an advertising agency. Since your position in the first instance would be one of trust, they would investigate your reputation for integrity, your habits, standing in the community, and so forth; in the latter instance, your ability to do the work satisfactorily and your personality have more weight.

In giving references do not give merely the name and address of the company you formerly worked for, but in addition give the name and title of your immediate superior in that company. By so doing you will insure that an inquiry concerning you will be answered more quickly and will be more satisfying to the prospective employer. It is sometimes advisable, and a matter of courtesy, to inform your references that you have taken the liberty of mentioning their names as references. This precaution often serves to prepare the reference for the inquiry, with the result that he is disposed to reply more quickly and more definitely than otherwise would be the case.

In some instances it is well to give the telephone

number of the reference so that the prospective employer can call up and secure the desired information quickly. In fact, the general tendency in business to-day is toward a personal conversation over the telephone with the reference. Such a method is quicker and usually more satisfactory than is inquiring by letter. In this connection it is well to note that some employers, particularly in the financial field, have adopted the rule not to give written recommendations, for from experience they have learned that these are sometimes misused. Instead, they inform the departing employee that they will be glad to answer inquiries in person or on the telephone. In such instances it is obvious that the applicant should ask the prospective employer to inquire by telephone.

If you desire to send a letter of recommendation with your letter of application do not send the original, for sometimes, through oversight, recommendations are not returned. Instead, make a copy of it, and mark it "Copy." This point of sending a letter or two of recommendation with your letter may be the thing that lands the job for you, because the persons referred to by the other applicants under consideration may delay answering, with the result that the prospective employer, being in need of a man right away, or becoming irritated by the delay, will choose you in preference.

Other Forms of Evidence

Certain types of positions offer the opportunity to the applicant of proving his ability by means of

samples of his work; for illustration, an applicant for a position as advertising copy writer can submit copies of advertisements that he has written; an applicant for a position as stenographer should typewrite his letter of application as neatly and as well as he can; an applicant for a position as clerk "who must be able to write a good, legible hand" should give a sample of his handwriting.

In the case of salesmen, especially, photographs are desirable as evidence, for from a photograph the employer is often able to judge whether the applicant has a suitable personal appearance.

Stimulating Action

The fourth function to be performed in the letter of application is stimulating action. This function is performed by urging the prospective employer to take immediate action on your application, and by making it easy for him to get in touch with you. More specifically, it is the attempt to stir the reader, not to give you the job, but to give you an interview, for the interview must be secured before you can expect to get the job.

It may be well to say here that many applicants make the mistake of asking for the job, expecting, apparently, that they will receive by return mail a letter informing them that they have been given the position. Only in extremely rare cases does that happen. In the great majority of instances an applicant is not hired until after he has appeared at a personal interview. In view of this fact, therefore, *you should ask, not for the position, but for an interview.*

The examples given below illustrate methods by which action is stimulated:

Perhaps, after all, the best way to determine whether I have the desired personal qualifications is by an interview, at which you can judge for yourself. A letter will reach me at 35 Waverly Place, or you can get me on the telephone at Andrew 5067, between the hours of 9–12, and 1–5.

If my application has indicated my ability to fill the position to your satisfaction, I shall appreciate it if you will let me know when I may call so that you can judge my general personal qualifications.

If you will let me know when it will be convenient for you to see me, I shall be at your office at that time so that you can question me in more detail concerning my qualifications.

The following illustrations show incorrect methods of stimulating action. These methods are wrong chiefly because the tone is offensive. They fail, moreover, to take into consideration the fact that the interview must come first:

Please let me know immediately whether you will give me the job, for I am considering two other positions.

If the position is as good as your advertisement says it is, and if the salary is satisfactory, I shall be glad to go to work for you.

Other Points to Consider

In addition to the points given above, other points concerning the writing of a letter of application should be considered. Of these, one of the most important is that of the tone of the letter.

The writer of an application letter often feels that the frequent recurrence of the personal pronoun "I" throughout his letter gives it a tone which may impress the prospective employer as being egotis-

tical; yet since the writer of the letter is presenting information about himself, an attempt not to use "I" will usually result in awkwardness of expression. It is much better, because it is more natural, to write, "While attending the university *I* specialized in English," than to say "While *the writer* attended . . ." It is not offensive egotism to speak frankly and honestly about oneself when one has been asked to. It is offensive egotism, however, to overpraise one's ability and to neglect to consider the reader's feelings, as in "I know I am the best man for the place," and, "If you want me you will have to speak up."

The applicant who strongly believes that he can meet the requirements and that he will fit the place is almost bound to write a strong, assertive letter. The salesman who knows that he has a good article is usually enthusiastic and assertive in trying to sell it; the salesman who is not quite sure that his article is free from defects is timid about pushing it hard.

The following deduction concerning the tone of a letter of application may now be made: *The stronger and more assertive the letter without becoming offensive, the better the impression it will make; and the meeker and more humble the letter, the poorer the impression it will make.*

Moreover, the tone of the letter often gives the reader a good insight into the ability of the applicant. The applicant whose letter is weak and whining in tone is likely to be a "weak sister." On the other hand, the applicant who tries to present his qualifications in their best light (leaving it to the

prospective employer to find any defects), and who uses a brisk, bold tone in his letter, is likely to impress the reader with the idea that he is a "live wire," a pusher—the kind of man most employers want.

It is well to have in mind, however, that assertiveness can very easily be overdone, with the result that a disagreeable impression is made on the reader; and since you are seeking a favor (an interview) from the reader, his feelings and reactions must always be considered. The letter that is too assertive and aggressive in tone, that is presumptuous or "fresh," is exceedingly objectionable. Such tones of themselves often ruin applicants' chances.

Notice the following examples showing the use of incorrect tones:

I am just the man you want and the sooner we get together the better for both of us.

I have no doubt that I can show you a number of ways to increase the efficiency of this work, because I have read several books on the subject.

A proper use of assertiveness is shown by the following illustration. Note how the writer backs up his statements:

I know that I can sell space for your magazine. And here is how I know: For the past two summers I sold space for the Blank Magazine and I can show you at the interview that I have substantially increased my sales on every trip. Since both magazines are in approximately the same field, my success with one magazine surely ought to indicate that I shall be successful with yours.

Another point regarding the tone of your letter is that there are different types of employers, and, accordingly, your letter to be most effective should

be adapted to the particular type to whom you are writing. A letter to a banking house, for example, should be conservative in attitude, for such a tone indicates that the applicant himself is conservative and, therefore, the kind of man desirable for bank work. The other extreme might be the letter in answer to an advertisement for a press agent or publicity man. Such a letter should be progressive, assertive, and highly original in tone. There is even a distinction in tone to be made between a letter applying for a position as salesman for an old, well-established, high-class, and conservative bond house, for instance, and a letter applying for a position as salesman for a progressive manufacturer of low-priced clothing.

No specific rules can be laid down and no specific advice given to apply to all cases. This general rule, however, can be stated: The letter should be adapted in tone to the prospective employer as far as you can establish the fact that he might have preferences for or prejudices against a certain tone. This selection of tone is chiefly a matter of judgment on your part, but please note carefully the fact that a good salesman, before calling on a prospective customer, attempts to find out as much as possible about him, such as his likes and dislikes, so that he won't do or say anything that may injure his chances of making a sale. Before writing your letter you, too, should try to find out as much as possible about the prospective employer.

Meeting Unexpressed Objections

In reading letters of application, the employer often comes upon certain statements, or lack of

statements, that create objections in his mind to the applicant. If these objections are not foreseen and met by the applicant, the employer is very likely to pass over such applications.

One of the most common instances occurs in the letter of an applicant who says that he is "at present out of work." The thought immediately springs into the employer's mind that there must be some discreditable reason for his being unemployed, for good men are usually not out of work. Perhaps he was discharged for inefficiency, or for some other shortcoming that makes him an undesirable employee. If these doubts are not dispelled in some way in the letter, the employer is very likely to disregard the application. For this reason the applicant should tell why he is unemployed. The following examples illustrate the point:

On account of the fact that I have just moved to Chicago in search of larger opportunities than were offered in Peoria, my former home, I have not as yet made any business connection. My former employer, Mr. F. S. Murchison, manager of the credit and collection department of Roscott & Co., wholesale hardware, will tell you that I talked over with him the advisability of seeking greater opportunities in a larger city.

Until two weeks ago I was employed as correspondent in the sales department of Williams & Browning, exporters. At that time, I and four other men were told that the present conditions in the export field, as a result of the war, were such that it was not possible for them to retain our services.

About ten days ago I resigned my position as junior accountant because of a personal disagreement between my superior, Mr. George L. Borchardt, and myself. He did not wish me to leave, but I felt it would be to the best interests of both of us to do so. When I handed in my resignation he told me that I could use his name as reference.

The applicant who is already employed has a much better chance, as a rule, to secure a job than has the unemployed applicant. There are two reasons for this: (1) A man who is employed unconsciously puts into his letters a tone of confidence that is often lacking in the letter of the unemployed candidate. Since he has a job and since the necessity of getting a job does not press him, he does not appear to be so anxious to get it. Such an attitude impresses the reader with the fact that this applicant is confident that he can do the work and that he is not over anxious about securing the position. There is usually something suspicious about the seller who is too anxious to sell an article. (2) The fact that this applicant has a job indicates to the prospective employer that he is giving satisfaction where he is and that, therefore, he is probably all right.

Despite these advantages, the applicant who is already in a job should always try to meet the question that might arise in the employer's mind—*i.e.*, "Why does he want to leave his present job? Has he been asked to seek another place?" *Failure to give a good reason for desiring to leave his present position sometimes injures the applicant's chances.* The examples given below indicate how such a question may be properly met:

Although I have a good position at my present place of business, I realize that the opportunities are not great because the company is small and conservative.

My chief reason for desiring to make a change from my present position is that I have known your concern by reputation for a number of years and have always desired to become connected with it.

Negative and unpleasantly suggestive reasons are worse than no reasons at all. Such reasons as the following are not helpful:

I desire to make a change from my present position because my employer has not lived up to his promise to give me a larger salary on the first of the year.

My reason for changing positions is that I find that I don't care for the kind of work I am doing.

Even though the reasons given above were the real causes that impelled the applicants to seek other positions, they could have been expressed in such a way that they would not have created a negative reaction on the prospective employers; for instance, the last example given above might be altered to read somewhat as follows: "My reason for desiring to change from my present position is that I wish to get into the kind of work that you offer."

What an Unsolicited Letter Is

One of the most effective means of securing a position is the unsolicited letter of application—*i.e.*, an application that is not solicited by an advertisement or other means. For example: Suppose that you realized that it would be to your advantage to get a job with a certain rapidly growing trust company. You have seen no advertisements of positions open with that company; yet you determine to apply by letter for a position with them.

This means of securing a position is effective chiefly because of the fact that comparatively little competition is met—at least not nearly so much competition is met as occurs in applying for a posi-

tion that is advertised. An unsolicited letter of application is usually given attention and a reading, because it seldom happens that more than one or two of such letters are received in any one mail.

Choosing the List

Success in the use of the unsolicited letter of application depends largely upon your judgment and ingenuity in making up a list of prospective employers to whom you will send your letters. If you have decided that you desire to stay in the same kind of business in which you are at present employed, you should not have much difficulty in ascertaining the names of concerns in the same field that can offer you the desired opportunities. Naturally, the more you know about these concerns the better able are you to make a good selection. If you do not happen to have information concerning the opportunities for advancement in these companies, it might be advisable to talk with persons who are in a position to know.

Whenever it is possible to do so, it is advisable to secure the name of the person who may be interested in your application. A letter of application addressed to some individual in the company has a better chance of success than a letter addressed to the company itself. In the first instance, since the individual addressed is in closer touch with conditions of his own department than is the employment manager of the company, he may be able to find a place for an applicant who impresses him with his ability, although no such place would have been listed with the employment manager. With a little ingenuity,

the name of the individual to be addressed can be secured.

Unless you have decided to make a determined effort to get placed with one of two or three concerns that you especially desire to go with, it is wise to make your list of prospective employers as complete as possible. Make a thorough canvass of the possibilities so that your campaign to land a better job will be a complete one. The next step is to send letters of application to those on your list. In this connection it is well to note that there are two methods of sending out letters: you can write and send only one letter at a time, or you can write and send your letters in batches of ten or fifteen. The latter method is usually more effective from your point of view, because you may secure four or five offers from which you can pick and choose; if the former method is used you will receive only one offer at a time, an offer which you must either accept or reject, with no chance of comparing it with other offers.

Writing the Letter

The unsolicited letter of application differs from the letter replying to an advertisement in the following minor matters: the opening paragraph, the statement of qualifications, and the adaptation to the reader. These points will be considered in detail in the paragraphs that follow.

Unlike the letter replying to an advertisement, the unsolicited letter does not, of course, begin with a reference to the fact that the applicant is applying for a position that was advertised. But originality in beginning the unsolicited letter is just

as important as it is in the letter replying to an advertisement. Such beginnings as the following should not be used:

Thinking that you might be in need of a correspondent, I am writing you this letter.

Believing that you may be able to find a place for me in your accounting department, I am submitting herewith my letter of application.

As I have been given to understand that you frequently need men in your traffic department, I trust that you will give consideration to this application.

Such beginnings as the following are likely to be more effective:

If you are in need of a correspondent for your general correspondence department, the following description of my qualifications may help you to decide that I should be considered for the position.

At a recent meeting of the Credit Men's Association, R. F. Morton, credit manager of C. S. Goodhue & Co., said that one of the essential characteristics of a good credit man is judgment. In requesting you to consider my application for a position in the credit department of your company, I wish to present evidence showing that I possess judgment.

In view of the fact that the concern to which you are applying has not advertised the position you are seeking, you have no reason to know exactly what qualifications are required. These you must outline for yourself according to your own judgment before you start to write your letter. Naturally, the description of such general qualifications as your education and experience should be presented. In addition you should present whatever special qualifications you have that will make you a desirable

employee for this particular job. To do this it may be of help to try to place yourself in the employer's place and then ask yourself this question: "If *I* were the employer, what special qualifications should I like to find in applicants for this job?"

Another advantage of the unsolicited letter is that the writer is able to adapt himself and his letter to the known character of the concern to which he is writing. For example, if he is applying for a position as a correspondent in the adjustment department of a *high-class, conservative* retail store, he should have such characteristics of the prospective employer in mind while he is composing his letter, so that whatever he says and the manner in which he says it will harmonize with those characteristics.

Follow-up Letters

Since an unsolicited letter of application is generally considered by the recipient to be personal to him and, therefore, requiring a reply, he will usually acknowledge its receipt even though he is unable to find a position for the applicant. If the prospective employer does reply, another opportunity is given to the applicant to impress the prospective employer. For illustration, let us assume that a prospective employer, in reply to an unsolicited letter, answered as follows:

DEAR SIR:

I wish to acknowledge your letter of application of October 24. At present we have no vacancies of the type you desire. I am, however, placing your application on file.

Very truly yours,

If you are especially desirous of securing a position with this concern, it might be advisable to reply as follows:

DEAR SIR:

Thank you for your courtesy in acknowledging my letter of application for a position as accountant in your department.

Although I am already employed, I certainly should very much like to work for you, and I hope that you will keep me in mind in case a vacancy occurs.

Respectfully yours,

Such a letter as that given above is very likely to create a favorable impression upon the prospective employer because he seldom receives a letter of this type. It also serves the purpose of having him keep you in mind. Moreover, it sometimes happens that if the prospective employer is deeply impressed by the applicant's letter, he will put himself out to find whether or not there isn't some job that the applicant can fill even though it is not exactly the job the applicant applied for.

Unsolicited letters of application are oftentimes referred to the employment manager of the company. In this case it is a matter of routine on the part of his office to file the application, if no vacancy exists, so that if one should occur the applications for such a type of job can be consulted. But it is a good plan to remind the employment manager from time to time of the fact that you still desire a position with his company. Such a reminder serves to keep your name and application fresh in his mind, and, furthermore, indicates that you are persistent and

really want to work for his concern. An example of such a letter follows:

DEAR SIR:

About three weeks ago I applied by letter for a position as accountant in your export department. You very courteously informed me that there was no vacancy then, but that you were placing my application on file.

Without desiring to appear presumptuous, may I ask whether there is any vacancy now? By referring to my letter of application (copy inclosed) you will find, I believe, that I have the qualifications for the place and that I will make a good, hard worker for you.

I have such a high regard for your concern that I should like very much to join your staff.

If no vacancy exists at present, won't you please keep me in mind for the next one that occurs?

Respectfully yours,

Certainly, if a man already has a position, but realizes the opportunities and advantages offered by a position with another concern, it is going to pay him not to take as final the statement that "no vacancy exists here at present." He can afford to wait patiently until one does arise, but he should have backbone and persistency enough to keep after that job. Often persistency alone will convince the employer or employment manager that the applicant should be given the position.

Following-up the Interview by Letter

After the applicant has returned from the personal interview he will find it advisable not to fold his hands and wait for the decision of the prospective employer. If he really wants the job he should keep

after it. A method that has proved itself to be effective is as follows: Immediately after the interview, or as soon thereafter as possible, and while it is still fresh in his mind, the applicant should write a follow-up letter. In this letter he should first thank the interviewer for his courtesy. Then he should emphasize any points in his experience and any other qualifications that would indicate that he is the man for the place. Such a letter can be made especially strong in view of the fact that the applicant, after the interview, has now a better idea of the job. In the light of this knowledge, he can show more exactly why he believes he can do the work.

A letter of this type, arriving as it does on the next day when the prospective employer is considering the four or five or more applicants he has interviewed, is bound to make a decidedly favorable impression on him. Because of the originality of the idea, and because such a letter indicates persistency, the applicant who wrote it is brought sharply to his attention. Often such a letter is just the thing that helps the prospective employer to decide on his man. The following letter will illustrate:

DEAR SIR:

First of all I want to thank you for your courtesy in granting me, at this morning's interview with you, the opportunity of telling you why I think I can fill to your satisfaction the position of office manager of your New York office.

In the course of our conversation you asked me how I should go about improving the quality of work done by the typists and stenographers. I told you of the plan we are using in our office in standardizing this work. You may be interested, therefore,

in looking over the accompanying loose-leaf binder of Instructions for Stenographers, Typists, and Dictating-machine Operators. I wrote this for my office about a year ago. By making a few changes to conform with your present practice and by adding several new ideas, I could have ready a similar manual for your office within two weeks.

If I am successful in securing the position, I will first make a study of the whole department. Then I will take up each function in turn and attempt to put it on a more efficient basis.

Yours truly,

PROBLEMS

1. Assume that you have seen in a newspaper an advertisement of the kind of position that you can fill. First copy the advertisement; then write your letter of application.
2. Assume that you have been unable to find an advertisement of a job you want. Describe in a few words the type of position and the kind of business house to which you would apply. Then write an unsolicited letter of application.
3. Assume that your letter of application has secured for you an interview with the employer. He asks you to write him another letter of application telling why you want the job, why you think you can fill it, and giving further details. Write the letter.
4. In reply to the letter you wrote in problem 2 above, the prospective employer informs you that no position is available now. Write a letter thanking him for his courtesy and asking him to keep you in mind.

CHAPTER VIII

Sales Letters

The Importance of the Sales Letter

Selling is the most important function of business. All of the other functions of business are auxiliary. The adjustment department exists in order that any dissatisfaction created as a result of a sales effort may be removed and the way paved for future sales; the credit department exists in order that the business organization may be safeguarded against losses resulting from selling on a credit basis; the collection department exists in order that money may be collected for the goods or services that have been sold. Every other department or activity of business can be shown to exist for the purpose of assisting in some way the main function—selling. To be sure, all these other functions are essential to the efficient operation of business, but they are essential because they are highly important aids to the main function.

Since the sales letter is one of the means by which sales are made, it may, therefore, be said to bear the same relative importance to other types of letters as the function of selling bears to the other functions of business. This statement is particularly true of the United States, where this method of

selling and of assisting in selling is so generally and so much employed.

Many persons, when they hear the expression, "selling by mail," think immediately and only of such great mail-order houses as Sears, Roebuck & Co., Montgomery Ward & Co., and The Larkin Company. Yet the total volume of business transacted by these and other so-called mail-order houses is but a small part indeed of all the business secured by sales letters. Thousands of business organizations that are not known as mail-order houses use the sales letter as a means of making sales. The National Cash Register Co. of Dayton, Ohio, is reported to have sent out, in one mailing, sixteen hundred thousand sales letters to customers and prospective customers. Tiffany & Co. of New York, although it is not considered as a mail-order house, does a tremendous business by mail. Department stores, like B. Altman & Co. of New York, and Marshall Field & Co. of Chicago, maintain large mail-order departments to solicit business by letter and catalogue—and all this in addition to the use of sales letters to their local trade. Practically every nationally known concern, like the B. F. Goodrich Co. of Akron, Ohio, and Robt. Ingersoll & Bro. of New York, employ the sales letter to sell and assist in selling their goods to their dealers or distributors. Countless small retail stores have found the sales letter an effective aid in selling.

It may be said, therefore, that the use of the sales letter is well-nigh universal in the United States. As a method of selling, it can be as easily and as effectively employed by the small business concern

as by the large one. Few indeed are the marketing or merchandising plans in which the sales letter cannot be used to advantage.

The Uses of the Sales Letter

One reason for the widespread employment of the sales letter is that it has so many different uses. In the space allowed here it is possible to set forth only a few of its more important and better-known applications; but these will be sufficient to indicate the important part played by the sales letter in the broad scheme of selling. The sales letter is used for the following specific purposes:

1. *To sell direct-by-mail to consumers or users.* Example: A manufacturer of an automobile wind-shield cleaner can sell his product direct to the user by the use of the sales letter. The whole sales transaction is carried on by mail. This type of selling is called direct-by-mail selling.

2. *To induce prospective customers to come to a retail store to buy.* Part of the selling is performed by the letter; the actual sale occurs at the store. Example: A retail clothier sends a sales letter to prospective customers to induce them to come to his store to buy winter overcoats.

3. *To do educational or pioneer work with prospective consumers or users before the salesmen call.* When a concern is attempting to sell a new and high-priced article or service to consumers or users, it often finds that its salesmen are forced to make a large number of calls on a prospect before the sale can be made. Some of these calls can be saved if, before the salesmen make their calls, sales letters are sent that instruct or educate the prospect in the uses and value of the article or service. The work thus performed is called educational or pioneer work. Example: A manufacturer of a farm tractor that sells at four hundred and fifty dollars sends to the prospective customers a series of letters about the tractor. Later, salesmen call to clinch the sale.

4. *To sell direct-by-mail to dealers.* Oftentimes when dealers are situated in out-of-the-way places which the salesmen cannot easily reach, or when they are not seen by the salesmen when they do call, and under similar conditions, the sales letter is employed to do the work of the salesmen. Example: A manufacturer of watches selling direct to dealers finds that his salesmen "miss" certain calls because the dealers are out of town when they call. To save the expense of having his salesmen retrace their route, he uses sales letters to secure this business.

5. *To do educational or pioneer work with dealers before the salesmen call.* If a manufacturer or wholesale distributor is going to have his salesmen present some new article, it will save the time of the salesmen if the dealers are told something about the article (if they are educated in its uses, market, etc.) before the salesmen make their calls. Example: A manufacturer of a new type of electric clothes-washing machine finds it advisable to prepare the way for his salesmen by sending to the dealers in advance a series of letters to tell them about the new idea involved.

6. *To turn inquiries into sales.* This is one of the most common and one of the most important uses. It is generally employed by nearly all types of businesses that advertise. Example: A trust company in Texas advertises 8 per cent farm mortgages. A person who inquires about these mortgages is sent a series of letters that attempts to sell him a mortgage.

How the Sales Letter Differs from the Advertisement

Many persons think that writing an advertisement and writing a sales letter are practically the same. They are not. An advertisement inclosed in an envelope and sent under a two-cent stamp does not by that fact become a sales letter. A sales letter is a personal communication to an individual and much of its effectiveness depends upon the reader's belief that it is personal to him. It should be ad-

justed to him in point of view, language, and in appeal.

An advertisement, on the other hand, appeals to persons in the mass. Whatever adjustment is made is only of the most general kind. An advertisement that appears in a magazine published for the medical profession will naturally be more technical than one that appears in a popular magazine. In each of these advertisements some attempt is made to adapt the appeal and language to the class of readers the publication reaches.

The adjustment, however, is made to a general class or type, and the appeal is made to that general class or type. At best, an advertisement is a lecture or sermon rather than a personal conversation. Nobody who reads advertisements believes that an advertisement is directed at him personally. On the other hand, although the same letter may be sent to one hundred thousand persons, yet to each man or woman in that number it must come as a personal communication if it is to reach its highest point of effectiveness. The more personal it appears, the more results it obtains. That is the reason why money is spent on sales letters to make them appear as personal as possible. The "filled-in" inside address, the careful matching of the "fill-in" with the body of the letter, the hand-written signature, and so on—all these details that cost money are employed for the one purpose of making the message seem so individual and personal that the reader is almost compelled to read it for fear that, after all, it may be a personal letter.

Other and more obvious differences between the

advertisement and the sales letter have to do with the physical appearance of each. The advertisement has such great advantages as large type, illustrations, and even color, in presenting its appeal. The fundamental difference, however, is the greater intimacy of the letter and its greater possibilities of adaptation.

The essential similarity between the advertisement and the sales letter is that of purpose. Both may be considered as "salesmanship on paper," both attempt to induce the reader to buy an article for which he has no need—at least, no need that he has heretofore recognized. Both do so by performing certain definite functions, though in different ways.

Order-taking and Selling

Real salesmanship is not order-taking. Rather is it the attempt to induce the prospective customer to buy an article or service for which he has not heretofore recognized a need. The grocery clerk who jots down the various items ordered by a customer is doing no actual sales work. The customer had already recognized his need for certain articles; he had already sold them to himself. Now he is merely telling the clerk what he wants. But, if after the customer has given his order the clerk induces him to buy something he had not planned to buy, the clerk then has done real selling.

This distinction is well worth noting, for the weakness with many sales letters is that they are not sales letters at all, but order-taking letters. If the readers already have recognized their need

for the articles offered, well and good; the letters in that event will bring back orders. But in the great majority of instances, the readers have *not* seen their need for the articles, and they do not buy because the articles are not *sold* to them—they are not made to see that they need them. In all cases it is safer to assume that the prospective readers of your sales letter do not desire the article because they have not yet recognized their need for it. If you will carry that thought in mind, you will always strive in your letters to make them recognize their need.

Functions of the Sales Letter

The four functions to be performed by every complete sales presentation are as follows:

1. Attracting attention.
2. Creating desire.
3. Convincing the mind.
4. Stimulating action.

Not every sales letter accomplishes, or attempts to accomplish, all four of these functions. Comparatively few letters do, because the majority of sales letters are either sent in response to inquiries that already indicate interest, or are but links in a chain of letters that makes the complete sales presentation.

A Typical Sales Letter Analyzed

In order to see how these functions are performed it is best to analyze a sales letter that does perform these four functions. Later, a study can be made of sales letters that attempt to accomplish only

part of them. The following letter is a typical example of a complete sales appeal:

DEAR SIR:

If you were fortunate enough to have Charles Schwab as a personal friend—

And if you were able to sit down with him and have him tell you in a heart-to-heart talk just what you should do to make a success of your business career—you certainly would feel that it was worth while, wouldn't you?

He could tell you how he himself got ahead, how he rose from a dollar-a-day stake driver to the presidency of the Carnegie Steel Company at a salary of $1,000,000 a year when he was only 29 years old! And from his vast experience he could tell you what qualities you should develop to succeed, how you should train yourself, and how you should grasp opportunities in business.

Such information would save you many mistakes, would put you on the right track, and would help you to secure rapid promotion. Such advice would easily be worth hundreds of dollars to you, wouldn't it?

Yet you can get all this information that will be of such great aid to you from a book that Mr. Schwab has written himself. It contains just what he would tell you in person if you came to him for advice on how to get ahead in business. His book is called "Succeeding With What You Have." And although its contents may easily be worth hundreds of dollars to you, yet you can secure all this valuable information for only 75 cents.

Just glance over some of these titles of chapters: Thinking Beyond Your Job, How Men Are Appraised, Seizing Your Opportunities, The College Man in Business, What Your Employer Expects, My Twenty Thousand Partners, and Men I Have Worked With. These chapters alone contain a mine of practical, sound information for you.

What business man is better fitted than Mr. Schwab to give you such information? He worked his own way up from the bottom to the very top. And from his own wide experience with men he can tell you what you should do to succeed.

If, after you have read this book, you are not fully satisfied that you got your money's worth, we shall refund your money without quibble.

Just write your name and address on the back of the inclosed coin card, insert one 50-cent piece and one 25-cent piece, and mail to-day. But send it now so you won't forget.

Yours truly,

A study of the foregoing letter discloses the fact that it performs all the functions of a complete sales appeal. It attracts attention because it looks like a personal letter and because the first paragraph grips the interest of the reader by its direct and personal statement, "If you were fortunate enough to have Charles Schwab as a personal friend—."

All persons are interested in anything concerning themselves or their interests. In the second paragraph the writer of the letter has made use of that knowledge and further interests the reader and begins to create desire by telling him how valuable it would be to him if Charles Schwab were to tell him in a heart-to-heart talk how he could succeed in business.

In the third and fourth paragraphs, the letter creates more desire by pointing out how helpful such advice will be to the reader. He is told that this advice will help him to secure rapid promotion in business. In other words, he is shown his need for such information.

In the fifth paragraph the reader is told that it is possible for him to secure the valuable advice that Schwab can give him by buying Schwab's book, *Succeeding With What You Have.* In other words, he is shown how he can satisfy his need for such information and advice. The price of the book is given, but is contrasted with its possible value to him.

The sixth paragraph gives more details about the contents of the book.

The seventh and eighth paragraphs convince him that he is making no mistake by buying the book. He is told that no business man is better fitted than Schwab to give such assistance to him. The offer to refund his money without quibble if he is not satisfied removes any further doubt that he will be taking a risk in buying.

The ninth paragraph stimulates him to order now. It tells him just how to order, and ends with a further stimulus to act now so he "won't forget."

The letter given above illustrates the important points in the construction of the sales letter. It will be useful, however, to take up each of the four functions in detail and to discuss the various ways in which they may be accomplished.

Attracting Attention

The first function that the sales letter must perform is that of attracting attention. An unread letter is only so much waste paper. No matter how appealing is the description used to create desire, how telling the arguments used to convince, how stirring the stimulus—all these are of no avail if the recipient does not even begin to read the letter. It is obvious, therefore, that the writer of a sales letter must first give consideration to how he shall secure a reading for his letter; or, in other words, how the letter shall so attract the attention of the recipient that he will begin to read it.

To attract favorable attention, the letter, first of all, should present such an appearance that the

recipient is inclined to read it. If the paper used looks cheap or unattractive, if the letterhead is poorly printed, if the filled-in inside address does not match, if the multigraphing has been badly done—if the physical appearance of the letter contains such faults, the letter is likely to make an unfavorable impression. Indeed, in some cases the recipients will not give it further attention.

If the letter makes a good appearance, the recipient next glances at the opening paragraph. If it is short and appears easy to read, he will start reading. If, on the other hand, it is long and seems hard to read, the mere mass of the paragraph may repel him. In order to get the recipient started, it is necessary that the beginning of the letter be made easy; that is, the first paragraph should be short, the sentences short, and the words simple and familiar. The beginning idea must be such as can be grasped immediately. Few persons will read and re-read the first sentences of a sales letter to find out what the writer is driving at. Glance at the two beginnings shown below. Which *looks* the easier to read?

DEAR SIR:

One of the very few faults with a Ford car is that it does not ride "easy," for whenever you hit even a little bump or hole, your car jolts up and down for some little while after, and nothing takes the pleasure out of driving as that does. On bad roads, the bumping you get is not only uncomfortable to you, but racks your car badly. . . .

DEAR SIR:

One of the very few faults with a Ford car is that it does not ride "easy."

Whenever you hit even a little bump or hole, your car jolts up

and down for some little while after. Nothing takes the pleasure out of driving as that does.

On bad roads, the bumping you get is not only uncomfortable to you, but racks your car badly. . . .

To get the recipient to start reading the letter it is not only necessary that the physical appearance of the letter be attractive and that the beginning should be easy to read, but it is also necessary that what is said in the opening paragraph should secure his interest. There are numerous ways in which to interest the reader, but all of them may be grouped in two divisions: (1) You should have something to say that will be of interest, and (2) you should say it in an interesting manner.

Choosing the Idea to Begin With

Most writers find the beginning of a sales letter the most troublesome part. This is so partly because it is hard to begin any piece of writing, but chiefly because it is difficult to originate or select an idea that will of itself be of interest to the reader. This latter difficulty can be lessened to a considerable extent if a little study is given to the question, "What will interest my reader?"

A reader, like every one else, is interested in anything that concerns himself, such as his welfare, his comfort, his ambitions, and his desire to make more money. Begin a letter to shoe dealers with the sentence, "Here is a way to increase your profits 20 per cent.," and it is quite likely that their attention to the letter will be secured because they are interested in making more profits.

If a letter that attempts to sell automobile paint to owners of automobiles should start with the sen-

tence, "In a few weeks now you will be getting your car ready for this season," it is probable that it would seize the attention of many readers because they are interested in their automobiles. From these examples it is seen that the primary source from which to secure ideas to grip the attention of the reader is the reader's own interests.

Another way to begin a letter is by exciting the reader's curiosity. This may be done by the use of such means as the statement of a new or novel fact, of an incident or little story, and of a "live" news items. Such statements are of themselves interesting. For example: A letter sent to business men by a manufacturer of check protectors might begin with the following statement of fact:

DEAR SIR:

According to bank records, business men lost more than $30,000,000 in 1920 because of raised checks.

The publisher of an encyclopædia could make use of a news item, as shown below:

DEAR SIR:

Thomas A. Edison recently gave an intelligence test to college graduates who had applied for jobs with him. Less than 10 per cent. of the men were able to answer correctly half the questions.

In choosing the idea to use at the beginning of the sales letter, the writer should make sure that the idea is apt, that it is not trite, and that it contains no disagreeable or unpleasant suggestion.

The Beginning Should Be Apt

Whatever idea is chosen to attract attention should be apt—that is, it should be relevant to the

specific thing being sold and should in a natural, not a forced, way draw the attention of the reader to a consideration of that thing. Many writers commit the fault of employing irrelevant ideas that, although they are interesting, have little, if any, connection with the thing offered for sale. Others use eccentric and startling ideas; and still others express their ideas in outlandish and extravagant language. They resort to such means simply to get the reader to read, and then proceed to write about something else. Such an attempt is worse than useless, because the reader feels, and rightly feels, that he has been deceived. He realizes that his attention has been secured by a trick and he resents it. An illustration of this fault is shown below:

DEAR SIR:

How would you like to make a million dollars?

We can't show you how to make a million, but we can show you how to make a part of it if you will put in a stock of our famous $2 hats.

Trite Beginning

The beginning should not be trite. A hackneyed beginning will fail to interest. Such beginnings as, "You will be interested to know . . ." "Having learned that you are one of the progressive merchants of your city, we thought . . ." and "We beg to inform you that . . ." have been used so many times in various forms that they are no longer effective. Their interest-arousing powers have been worn out. Most readers of sales letters know them nearly as well as they do the prefatory remark of the public speaker who begins with, "Unaccustomed

as I am to public speaking. . .” Since trite and stale beginnings do not interest, it is essential that the beginning be new and original.

Another type of beginning that is common, and hence lacking in novelty or freshness, is the question. Beginnings in such forms as, “Have you ever stopped to consider . . .?” “How would you like to have quiet in your office?” and, “Are you satisfied with the way your bookkeeping is done?” are in such constant use that it is refreshing to the reader to see a beginning that is not expressed as a question. This statement should not be taken to mean that the question form of beginning is not interesting and is never to be used. Rather does it mean that the writer of sales letters should seek a more original way of beginning the letter, inasmuch as the question form of beginning is so commonly employed. A type of beginning that is resorted to so much is certain to be lacking in interest value.

Another fault with the question form of beginning is that the answer expected is so obvious that it is almost foolish even to ask the question, as in, “Would you like to know how to make more profits?”

Still another fault is that many questions are asked that should not be asked until later, because they call for a decision which the reader cannot be expected to make until he has read the letter. The result is that he does not answer as is desired. For example: A reader receives a letter that is attempting to sell him an adding machine. The letter begins with the question, “Would you like to buy a good adding machine for only $75?” Since he has

not yet perceived his need for an adding machine, since the letter has not yet created a desire for this machine, he answers "No!" and tosses the letter into the waste basket.

Negative Beginnings

So far as possible, no idea should be chosen that contains a disagreeable or an unpleasant suggestion. Such suggestions will usually prevent the reader from later desiring the thing offered for sale. It is obviously unwise to begin a letter to sell farm tractors with the statement, "Many farmers who use tractors have found that their repair bills run into the hundreds of dollars each year." Even though such a statement is later followed by the assertion that "Blank tractors are so sturdily constructed that they seldom need repairs," the damage has been done. The reader is now thinking of the fact that if he bought a tractor the repair bills might be very large. If you are trying to sell farm tractors, or almost anything else, make the first suggestions in your letter as pleasant as possible; and avoid saying or suggesting anything that brings to the reader a picture of the darker side or of a disagreeable experience. Here is a mild illustration of the so-called "negative" beginning:

DEAR SIR:

Just suppose that you are driving your car along a fine stretch of road at the rate of 50 or 55 miles an hour, when suddenly your right front tire blows out and the steering wheel is snatched from your hands.

It would be too late to consider why your car was not equipped with the Blank cord tires.

However, in selling certain types of things the chief value of which is to protect the owner against disagreeable experiences, it is good salesmanship to present to the reader a picture of the unpleasant situations he can avoid if he will buy the thing offered. Such things as Weed automobile chains, revolvers, burglar alarms, fire extinguishers, and check-protecting devices are examples of things that are sold by an appeal to fear. A beginning that might be used in a sales letter for a revolver is shown below:

DEAR SIR:

It is 2 o'clock in the morning. You are awakened from sleep by the noise of someone walking around in your dining room.

You jump out of bed, but—

Are you going downstairs unarmed to meet him? It is courageous, but isn't it foolhardy, too? Then is the time to have a Blank automatic handy. . . .

Making the Beginning Specific

Not only should whatever idea you choose be interesting in itself, but it should also be expressed in an interesting way. Many an otherwise good idea is spoiled because of the uninteresting manner in which it is expressed. Three common faults are that the beginning is not expressed (1) in specific language, (2) in concrete language, and (3) in the "you" attitude.

The beginning should be specific. Statements that are expressed in general and vague language are seldom as effective as statements made in specific language. The more definite the initial statement is made the better. Compare the following illustrations:

General

One day, several weeks ago, each of a number of owners of our automobiles drove his car for a fixed distance.

This test showed that the average mileage per gallon of gasoline was unusual.

Specific

On May 30,1921, each of 214 owners of the Blank automobile drove his car a distance of over 100 miles.

The sworn statements of these owners showed that the average mileage per gallon of gasoline was 21.4.

Making the Beginning Concrete

The beginning should be concrete. A statement that is expressed in words that bring a picture to the mind's eye of the reader is more effective than a statement that is expressed in abstract words that bring no image to the mind.

Abstract

Many men fail to make the most of their opportunities in business.

An occasion arises when it is possible to impress a superior with one's ability to talk effectively. Yet one is often unable to take advantage of that opportunity because he cannot express his ideas in a clean-cut, forceful way.

As a result he both fails to convince his listener of the value of the plan he is presenting and, in addition, makes a rather sorry impression.

Your ability to speak well ought to be of great help to you in business. You can improve this ability by studying and applying the principles set forth in "How To Talk Business To Win." . . .

Concrete

You are seated at your office desk. The telephone rings.

You pick up the receiver and hear the voice of your "chief." He says, "Come into the manager's office; I want you to present to him that idea about which you talked to me last week."

This is the opportunity you have long waited for—the opportunity that may mean promotion. But when you go into the manager's office will you be able to persuade and convince him of the value of your plan? Will you be able to meet his eye squarely and talk to him in a winning, forceful way?

"How To Talk Business To Win" will train you to meet the test. It will . . .

The Use of the "You" Attitude

Another method of causing the beginning to be interesting to the recipient is to make use of the fact that persons are primarily interested in themselves. In other words, the beginning of a letter should be in the "you" attitude. Such a statement as, "We beg to announce our new fall line of overcoats," kills interest; and so do most beginnings that are expressed in the "We" attitude. These beginnings fail to interest not merely because they are so likely to be trite, but because they are about the writer—and not about the reader. The reader has his own interests and the writer, to get the best results, must adapt himself to them. The second personal pronoun, "you," should dominate the beginning, but this is really of less importance than that the idea should be expressed from the point of view of the reader. Whatever is said must be expressed in language directed at the reader himself.

"I" or "We" Attitude

We are glad to announce that we have just published a book entitled "Law For The Business Man."

Before we decided to put this book on the market, we talked with a large number of well-known business men to learn just how essential it was to a business man to know law.

"You" Attitude

Your bookkeeper stands before you.

"I have just received word that Blank & Co. have filed a petition of voluntary bankruptcy, and only yesterday we shipped them an order amounting to $600. What shall we do?"

What shall you do? If you know the law, you will immediately take a step that will save you a great deal of money.

A summary of the various methods employed to perform the function of attracting attention (if the sales letter has not already been preceded by something that has aroused interest in the proposition) discloses the following points: The physical appearance of the letter should be attractive. The beginning should be easy to read. Whatever idea is chosen to begin the letter should be concerned with the reader's interests; it should appeal to his curiosity; it should be apt, not trite, and should contain no disagreeable or unpleasant suggestion. This idea should be expressed in specific, concrete language, and should be in the "you" attitude.

Creating Desire

"Well begun is half done." If the reader's attention has been secured, the most difficult part of the work has been accomplished. It now remains to make the reader desire to possess the thing offered, to convince him that he should have it, and to stimulate him to do something in the direction of getting it.

Creating desire is accomplished by pointing out to the reader his need or desire for the thing presented, and by showing him that the thing will meet his need or satisfy his desire.

Sometimes it is very difficult to make the reader recognize that he has a need for the thing offered. It is usually hard, for example, to show a merchant that he has a need for an adding machine, or to show an unmarried man that he has a need for life insurance. Unless the reader can first be made to recognize the fact that he has a need for the thing offered, it is not possible to show him that it will meet his need.

On other occasions the need or desire of the reader may merely be suggested and he will immediately be conscious of it. For example: Women desire to be beautiful. Hence, in a letter that attempts to sell them a beautifying toilet preparation, it is not necessary to point out to them their desire to be beautiful. Often it would not be wise to do so, for many women would not willingly admit the desire and would resent a letter that lays stress upon it. All that is necessary is to show how the preparation will satisfy their already existing desire to be beautiful.

In planning, therefore, how you will create desire on the part of the reader, it is first necessary to discover just what need or desire you are going to point out to him, and then it is necessary to ascertain how the thing you are selling will meet that need or satisfy that desire. All this means that (1) you must study your prospective customers, their needs, desires, wants, etc.; and (2) you must study the thing you are selling.

Suppose, for example, you are selling moth-proof paper garment bags. In order to find why your readers would need these bags, put yourself in the reader's place and ask yourself the question, "What use have I for moth-proof bags?" As you thought of the ravages made by moths on the clothes you had put away in closets and trunks, the answer would come to you, "To protect my clothes." That, then, is the need you will point out to the reader—the need to protect his clothing—and it is at such a need that you will direct your "appeal."

The next step is to study this article to ascertain

how it will protect clothing against moths. You would learn that the bag, when closed, is air-tight and that no moths can enter. You would learn how the bag is made air-tight; that it is made of heavy paper so that it can be used for many years; and that its hook will not tear out. These are some of the facts you will employ to show the reader how the bag will satisfy his need. Such facts are called "talking points."

You are now ready to write this part of the letter, including the beginning:

DEAR MADAM:

In the fall, when you go to your clothes closet or trunk to get out that heavy suit or your furs, you may be dismayed to see that "the moths have got into them."

Think of the trouble and expense you will be put to in having these articles repaired—and sometimes they are so badly eaten by those horrible saw-mouthed moths that they are utterly hopeless and must be thrown away.

All this trouble, disappointment, and expense can be avoided if you will only take the precaution this spring to put away your clothing and furs in the Blank moth-proof garment bags. Strongly constructed of a heavy and durable cedar paper, and made absolutely moth-proof by our patented closing device, the Blank bag provides absolute protection against moths.

As the Blank bag measures 24 inches wide by 36 inches deep, each bag provides ample room for several garments. The hook by which the bag is hung up is securely stapled in place by brass rivets. So sturdily constructed is this bag that it will give you good service indefinitely. . . .

As will be seen in the letter shown above, the beginning not only attracts attention, but also starts the work of showing the reader her need by describing a common experience. The same is true of the

beginnings of many other sales letters. The letter then proceeds to describe and explain how the reader can safeguard herself against this unpleasant experience. A description of the article then follows.

Choosing the Talking-point or Appeal

Before you begin to write your letter, you have to decide (as is shown in the case of the moth-proof bags) which appeals and talking-points to employ. It is not always easy to do this, for some articles may have several good talking-points and appeals. It will be of help to you if you will remember that the choice of talking-points depends not only on the article itself, but often on similar competing articles also. The obvious talking-point for any tooth-paste is that it keeps the teeth clean. Yet if every manufacturer employed it in his advertising, such advertising would not create desire for any one particular brand of tooth paste, with the result that the advertising would not be very productive. Instead, each manufacturer tries to find some distinctive feature that his paste has that others do not have, so that by talking about that feature he can create a demand for his particular brand of paste. Accordingly, you will find one tooth-paste manufacturer, for example, advertising that his product lies flat on the brush (an appeal to convenience); another that his paste removes film from the teeth (an appeal to beauty); and still another that his prevents acid mouth (an appeal to health). As far as a general statement can be made to cover the point, a staple product like paper, shoes, or shaving soap is sold by the use of talking-points

concerning the distinctive feature of the thing; a specialty or new article like a book, a new kind of office appliance, or a new invention is sold by first showing the reader his need and by then showing how the article will satisfy that need.

The choice of the appeal used depends largely upon the class of persons to whom you are trying to sell. To dealers you may talk about profits and turnover; to women about beauty; and to business men about efficiency. Indeed, from the point of view of good merchandising, a careful analysis of the situation, including the article itself, the competing articles, and the readers, is far more important than is the writing of the letter.

There are usually two sides to every sales appeal—the cost and the value. The cost means the price asked; the value means what is offered to satisfy the reader's desire for efficiency, safety, or the other elements that appeal to human beings. Seldom can any one of these elements be used in an appeal without the cost element being included. For example: A farmer to whom you are trying to sell a small individual electric power plant may be reached by the appeal of convenience, but he may suppress his desire for the article if the price seems too high.

As a rule, the main talking-point either is price or is one of the other distinctive characteristics that appeal to the reader's desire for convenience, comfort, exclusiveness, and so forth. For example: The standard price of a typewriter is one hundred dollars. If the price of the machine you are selling is, say, sixty-five dollars, then price is your main talking-

point; and you need only show that your machine is as good as standard machines. If, on the other hand, the machine you are selling carries the standard price tag of one hundred dollars, your main talking-point will not be price, but, say, the quality of work produced.

It is well to remember that if the price is less than standard the *reason* for the price must also be given. Even the retail merchant has discovered that when he is advertising forty-dollar overcoats for twenty-five dollars it is still necessary for him to explain why. So he tells his public, for example, that he desires to close out these overcoats before he takes inventory. The manufacturer of the sixty-five-dollar typewriter explains how he can sell a one-hundred-dollar standard machine for sixty-five dollars by stating that he has eliminated all expense for branch offices and salesmen and that he now sells direct to the consumer.

When price is the main talking-point, it is necessary, accordingly, to show why the price is low; otherwise the reader will think that the article offered has little real value. If, however, the price of the article is standard, there is nothing to be gained by talking about it. In such a case, the main talking-point is efficiency, endurance, or one of the other appeals, with emphasis placed on some feature of difference, some distinctive superiority that makes the article stand apart from competing articles. It may be that the blade of the razor you are selling has a peculiar beveled edge, or that it is made of a special kind of steel. It may be that the steel has received a recently invented heat treatment that

causes it to hold its edge longer. But whatever the point of distinction that causes your razor to be superior to competing razors, it should be clearly brought out in the description. It must not be buried in a mass of unimportant details that are common to all competing razors.

Describing the Article

Creating desire is most frequently accomplished by description. As the word "description" is used in this chapter it means more than the mere description of the physical appearance of the article. It is used also in reference to the description of experience, incidents, and feelings; it is used in reference to telling how the article is made, what it is made of, how it is used, and what service it will perform.

The description must first of all have unity. It is impossible in a letter, considering the space limitations, to tell everything about an article. It is essential, therefore, that you should carefully select the one definite appeal or talking-point with which you intend to create desire, or the distinguishing characteristic of your article, and then concentrate on that. If your letter contains a number of main talking-points it will only confuse the reader. Other talking-points may be used, but they must be kept subordinate to the main one. For example: The main appeal of the moth bags is that they will protect clothing and thereby save expense. A minor talking-point might be the fact that the hook will not tear out.

The description of the article may be either purely physical, or emotional. Physical description

simply pictures the article in terms of size, color, weight, texture, number of parts—in any way, in fact, that the article would be observed by the five senses. It tries to give the reader as nearly as possible a reproduction of what he would find if the article were before him. Such vague and general descriptive expressions as "finest on the market," "unsurpassed in beauty," and "unusually good" are ineffective because they do not bring any picture to the reader. Note the following illustrations of description:

The Trafilog is contained in a hard steel case. It is 7½ inches in diameter, 3 inches deep, and weighs 7 pounds. The clock mechanism is manufactured by the Waltham Company and is designed especially for severe service. The actuating parts are of cold-rolled steel and are secured within the case by a Yale lock. A steel bracket is furnished for attaching the instrument to the automobile, so that once it has been locked on it cannot be removed except by sawing through this bracket.

The inside fabric is fine finished cotton—smooth as a rose leaf on your skin. The outside fabric is selected wool.

The two fabrics are lighter than the ordinary thick single fabric, and they are interlaced in the knitting by a stitch every half inch or so, which holds them together as one fabric, but leaves air space between.

The outer fabric absorbs and carries away the moisture of the body, but not the heat. And the air space ventilates the garment and keeps it fresh and dry and wholesome; acts as an insulator; keeps the natural heat in and the cold out.

Duofold is only half the weight of ordinary winter undergarments, yet it protects you perfectly against the coldest weather.

Those who have been guests at the Gramatan know the charms of its country environment—the early-morning horseback rides on roads unrivaled in vernal charm—the many perfect golf courses of easy access—the tennis courts of Law-

rence Park, second to none in the country—the motor rides amid ever-changing scenes—the still, restful nights in the pure country air and the intimate comforts that the Gramatan affords, in the heart of the hills, yet only half an hour from the heart of New York City.

Emotional description is more commonly useful because it puts into words sensations and feelings which can be conveyed in no other way—certainly not by physical description, although the latter method may be used with it. Emotional description portrays the article in terms of the pleasure, gratification, and satisfaction the reader will secure if he purchases it. It looks beyond the mere physical or tangible object to the satisfaction the reader will derive from its use. For example: In selling by mail a set of books by O. Henry, it is not enough to say that "this set of books consists of six 8vo volumes, each of approximately 450 pages, bound in green cloth with gold stamping." Such description would fail to create desire for the books. And, after all, you are not selling books—mere paper, printing, and binding—but rather the pleasure and enjoyment that will be derived by the man who reads them. Emotional description of the type shown below would, accordingly, have to be used in conjunction with the physical description:

What O. Henry did for Central America he does again for New York. He waves a wand over it and it becomes a city of mystery and romance. It is no longer the roaring, surging, metropolis that we thought we knew, with its clattering elevated, its unending crowds, and on every side the repellent selfishness of the rich, the grim struggle of the poor, and the listless despair of the outcast. It has become, as O. Henry loves to call it, Bagdad upon the Subway. The glare has gone. There is a soft light suffusing the city. From the open doors of its restau-

rants and palm rooms there issues such a melody of softened music that we feel we have but to cross the threshold and there is Bagdad waiting for us beyond. A transformed waiter hands us to a chair at a little table—Arabian, I will swear it —beside an enchanted rubber tree. There is red wine such as Omar Khayyám drank, here on Sixth Avenue. At the tables about us are a strange and interesting crew—dervishes in the disguise of American business men, caliphs masquerading as tourists, and among them—can we believe our eyes?—houris from the inner harems of Ispahan and Candahar, whom we mistook but yesterday for the ladies of a Shubert chorus! As we pass out we pay our money to an enchanted cashier with golden hair—sitting behind glass—under the spell of some magician, without a doubt—and then taking O. Henry's hand we wander forth among the ever-changing scenes of night adventure, the mingled tragedy and humor of The Four Millions that his pen alone can depict. Now did ever Haroun al Raschid and his viziers, wandering at will in the narrow streets of their Arabian city, meet such varied adventures as lie before us, strolling hand in hand with O. Henry in the new Bagdad that he reveals?

At this point it is advisable to note that a common cause of the failure of many sales letters is that the description used to create desire describes merely the physical appearance of the article and makes little, if any, attempt to describe the mental or physical satisfaction the article will bring to the purchaser. If you are selling an electric fan, for example, you do not sell a machine made of brass and wires, but coolness. The customer does not care how he gets the coolness he wants, so long as he gets it. If you are selling bonds, for instance, you do not sell pieces of printed paper, but the mental satisfaction that the customer's money will be safe and bring him a reasonable amount of interest. And so it is with any article or service. You should look beyond it to find what satisfaction it will give and then you should describe that satisfaction in

terms of pleasure, pride, economy, or any other appeal.

The Use of Inclosures to Create Desire

The term "sales letter" is commonly understood to include in its broad, and probably more correct, sense not only the letter itself, but also the supplementary material contained within the same envelope. This material may, in the case of any specific letter, consist of a folder and an order blank; of a pamphlet, samples, and a return card; or of other similar pieces. Such material is called inclosures.

In the so-called "single" sales letter (that is, the sales letter that attempts alone to make a sale unaided by other letters or by salesmen) the inclosures usually perform the greater portion of the sales effort. In fact, the same is true of follow-up sales letters. In an example in mind (a single sales letter to farmers to induce them to buy an aluminum coffee percolator) the multigraphed letter was of approximately three hundred words, whereas the large printed circular that was inclosed contained not only about fifteen hundred words describing the article in detail, but also a large illustration of the article.

It would not have been practicable to place these fifteen hundred words in the multigraphed letter, for the letter would then have taken up about four pages of solidly typed matter, and, on account of the mass of matter presented, would have killed interest. Moreover, the typographical or mechanical appearance of a long multigraphed letter is not nearly so attractive or effective as can be made that of

The BATES
Automatic
Hand Numbering
Machine

SAMPLES herein are just to hint at the attractive patterns we're offering this Spring in ready-to-wear shirts of corded madras. You know how well they wear.

Reasonable, too—$4.50.

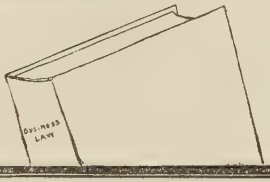
If you will fill in your name, size and enclose swatches preferred, we'll gladly send the shirts on approval.

Name _____ (Please Print)

Address _____

Neckband _____ Sleeve Length

ROGERS PEET COMPANY
"Shopping Service"
842 Broadway New York City



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INCLOSURES USED IN SALES LETTERS

the inclosure with its possibilities for the use of color, illustrations, captions, different sizes of type, etc.

It is commonly the case with sales letters that the main purpose of the multigraphed letter is to gain the reader's interest in the proposition that is being offered, to whet his desire for further information, and then to refer to the inclosure, depending upon it to give the details and to do the major portion of the work of creating desire. In fact, when you are planning a sales letter, you should consider whether you will use an inclosure to help create desire. If you realize that a large amount of description will be required to acquaint your readers with their need for the article, with how it is made, or used, or looks, you will probably appreciate that you will be obliged to employ an inclosure to do this work.

Pictures to show how the article looks or how it operates are usually more effective than descriptions in words. In fact, it is often essential that pictures be used. Yet, since it is seldom advisable or practicable to have pictures printed on the letterhead itself, some form of inclosure is needed to carry these pictures. Suppose, for instance, that you are selling an electric washing machine. The distinctive feature of this machine is a special kind of mechanism that forces the water through the clothes in a peculiar way. In order to describe this mechanism so that the reader will understand the principle of its operation, you will need to use a picture of it. And the use of a picture demands an inclosure.

Although samples are more commonly used to convince, yet they are also of use in creating desire,

because a sample or a small part of the article presented for inspection often creates a desire to possess more or the whole of it. For instance, a custom shirtmaker by sending to prospective customers little swatches or clippings of attractive cloths or patterns may by so doing create a desire on their part to possess shirts of those cloths or patterns. In such a case, actual samples are much more effective than pictures or descriptions.

Summary

In this chapter we have attempted to show why the single sales letter must perform certain functions in a definite order. We have discussed in some detail the general principles by which the first two functions—those of attracting attention and creating desire—may be accomplished. In the following chapter we shall continue the treatment of the functions of the sales letter by showing why it is necessary and how it is possible to accomplish the remaining two functions—those of convincing the mind and stimulating action.

PROBLEMS

1. Write the beginning and descriptive portion of a single sales letter to sell a six-volume set of Jack London's works.
2. Describe an electric player piano in terms of the satisfaction and pleasure that the reader will derive from it.
3. Write the first part (attracting attention and creating desire) of a sales letter that is to be used to induce women to come to a hardware store to purchase an electric washing machine.
4. Write the beginning and descriptive portion of a single sales letter to sell leather brief-cases.

CHAPTER IX

Sales Letters (*continued*)

Why the Reader Must Be Convinced

If desire alone were sufficient to cause readers to buy, all that would be necessary in selling stock in a "wild-cat" oil-well company would be to say that the well the company is planning to sink is expected to produce so many thousand barrels of oil per day; that this quantity of oil would mean a dividend of 75 per cent. a year; and that a one-hundred-dollar share of stock will probably be worth eight hundred dollars at the end of six months—or as soon as the well is "brought in." [In fact, a great deal of stock in such companies is sold by creating desire in just such a way.] But most of us, even though we may have a strong desire to become wealthy by buying such stock, first want to be assured that at least the chances of striking oil are favorable.

And so it is with almost every article that we may be considering buying. We may have a strong desire for it, but we also want to be sure that we shall make no mistake by buying it. Experience has taught most of us that we should not believe all we hear—especially from one who desires to sell something to us. Even in these days of honest

advertising, the average reader receives the glowing statements of the seller with some mental reservation, *unless they seem to be proved.* The sales letter we are reading may arouse our desire by stating that a certain office device will save the work of two men, but as much as we should like to cut our office expenses to that extent, we will not purchase it until it has been proved to us that it really will. In other words, we must be "shown"—we must be convinced.

It should be clear, therefore, that when you are trying to sell an article, you should prove to the reader that your statements are true and that he will make no mistake by buying your article. This necessary step in selling is the third function in a complete sales presentation and is called convincing the reader.

In well-knit sales letters there is seldom a clean-cut break between the performance of creating desire and that of convincing. The two are often so run together that it is difficult to detect the point where one leaves off and the other begins. For instance, emphasis upon a bargain price may be interwoven with the reasons for the low price. The combination may at the same time both create a desire to purchase the standard article below the market price (an appeal to economy) and convince the reader that he is making no mistake. Likewise, the statement to a dealer that two hundred and forty-eight other dealers are stocking up heavily on ladies' gray silk hose not only makes the dealer desire to follow the lead of other dealers, but also inclines him to the belief that the purchase cannot possibly turn out badly.

It is not necessary, however, to concern ourselves with fine distinctions. It is essential only to bear in mind that a complete sales letter not only must make the reader desire the article, but must convince him that he ought to have it, and ordinarily do them in that sequence.

Convincing the reader rests upon evidence. The four classes of evidence used in the sales letter are:

1. Facts and figures.
2. Testimony.
3. Samples and tests.
4. Guaranties.

Facts and Figures

Suppose that you have stated that the automobile you are selling is fast and has remarkable endurance. To substantiate your statement—to convince the reader that it is true—you might be able to present the fact that one of your regular stock cars traveled all the way from San Francisco to New York in three days, eighteen hours, and twenty-four minutes. Facsimile reproductions of newspaper reports about the trip would be added to support your statement of the fact. A description of the ride over steep mountain trails, through the heavy sands of the desert, and through deep-rutted and muddy country roads would follow. All this evidence in the form of facts and figures would tend to convince the reader that your car is what it is claimed to be—*i.e.*, that it is fast and that it has remarkable endurance.

Or again, if you are trying to prove that a roofing material gives efficient protection, you might be

able to set forth a list of names of well-known concerns who have used it, together with the year when they made their first purchase and the number of re-orders since. Thus:

The following manufacturers have used Blank Metal Roofing under many varied conditions:

	First Order	*Re-orders*
Aluminum Company of America	1915	14
American Car & Foundry Co...	1913	20
American Locomotive Co.....	1913	15
Bethlehem Steel Co.....	1910	38

Facts and figures of this sort make strong and convincing evidence, particularly for articles bought on the basis of efficiency. But one disadvantage of this kind of evidence is that it is likely to be dry and uninteresting. Paragraphs and tables of figures have very little attraction for the average reader, and they often put a heavy tax on his mind to understand exactly what they mean. For example: The ordinary bank statement which is issued to prove the strength of a bank conveys little real information to the depositor, for often he is unable to analyze it to find what it actually does show. Compare with the usual bank statement the following clear presentation offered in evidence of the bank's condition:

THE CORN EXCHANGE BANK
NEW YORK

Statement of July 1, 1921

The bank owes to depositors..... $199,167,816.81

A conservative banker always has this indebtedness in mind, and he arranges his assets so as to be able to meet any request for payment.

For this purpose we have:

(1) Cash. (Gold, bank notes, and specie) and with legal depositories returnable on demand.	$33,197,564.36
(2) Checks on other banks. Payable in one day.	15,962,812.74
(3) U. S. Government securities	64,064,532.93
(4) Loans to individuals and corporations. Payable when we ask for them, secured by collateral of greater value than the loans.	20,364,699.19
(5) Bonds. Of railroads and other corporations, of first quality and easily salable.	22,856,418.90
(6) Loans. Payable in less than three months on the average, largely secured by collateral...	55,598,952.83
(7) Bonds and mortgages and real estate	896,212.90
(8) Twenty-four banking houses. All located in New York City.	3,920,312.33
Total to meet indebtedness	$216,761,506.08
(9) This leaves a surplus of	$17,593,689.27

Certain devices may sometimes be resorted to by which facts and figures may be made easier to grasp, and more interesting. If, for instance, you are working in the advertising department of a metropolitan newspaper and wish to show prospective advertisers how the circulation of your newspaper has increased during the past three months as compared with that of other newspapers, it would probably be more effective to present this fact not by tables of figures, but by such pictorial devices as graphic curves or rectangular columns.

Photographs of the article in use are both interesting and convincing. The photograph of a caterpillar-tread tractor hauling several sledges piled

high with heavy logs helps to convince a lumberman. A close-up, unretouched photograph of an automobile tire that is in good condition after having been run eight thousand miles is strong and interesting evidence. Such devices should seldom appear in the multigraphed letter itself, because they spoil the personal element of the letter. They can, however, be used in inclosures.

Another slight objection to the use of figures is that they may not be readily accepted unless the authority for them is also presented. A brief statement of how they were obtained or on whose authority they are given is often necessary.

For the sake of interest as well as exactness, statements of fact should be specific and concrete. It is not enough to say that your typewriting machine "has won several prizes." Your letter should specify when and where and under what conditions, as, for example: "The Blank typewriter, operated by Miss Mary Jones, won the $2,000 cup in the eighteenth annual speed contest, held at the Business Show at Madison Square Garden, January 25, 1921." To say that "the Blank watch is carried by the engineers of famous trains" lacks conviction because it is so general. It is more convincing to say that "George R. Doe, who has been the engineer for the past twelve years of the crack Twentieth Century Limited, relies upon his Blank watch for the correct time."

Testimony

What persons say about an article or service is called testimony. It is a kind of evidence that has

been much abused. The result is that it is often regarded with skepticism by readers. It is useful, nevertheless, because of its strong personal element —an element that becomes quite effective when the one giving the testimony is favorably known to the reader personally or by reputation, and is in a position to be unbiased. If he is of the same class or group as the reader, so much the better. "Ask the man who owns one," the slogan of the Packard Motor Car Company, is a direct appeal to the reader to seek the testimony of a user. In such instances testimony is probably the most telling kind of evidence.

The effectiveness of testimony rests upon the fact that most persons are disinclined to believe statements made by the seller, for they know that he is not disinterested. So the seller says in so many words, "I am not asking you to believe me. I merely want you to read what other persons who have used my product think about it." A manufacturer of soap flakes could hardly choose a better manner of convincing his prospective buyers that his product will not shrink wool garments than by using the testimony of a manufacturer of wool yarn, as shown below:

LEVER BROS. CO.,
CAMBRIDGE, MASS.

GENTLEMEN:

Knitted garments can be washed as safely and as satisfactorily as cotton if the proper methods are used. The wrong methods will ruin them in the very first laundering.

We are suggesting to women who buy our yarns to wash them in Lux. A harsh soap would shrink woolens.

We are glad to say that we can trust yarns of the most delicate color and weight to Lux with the assurance that the result of the washing will be entirely satisfactory to our customers and to us.

Very truly yours,

S. B. & B. W. FLEISHER
(The Fleisher Yarns).

Sometimes, moreover, a testimonial is so interesting on account of its personal or news element that it can even be used as a beginning of the letter and thus help to perform two functions at once. The following example will illustrate:

DEAR SIR:

"While I was President I found rest from my numberless duties by reading. I particularly enjoyed half a dozen rattling good detective stories by Arthur B. Reeve; some of them were corkers."—EX-PRESIDENT ROOSEVELT.

This is only one of hundreds of expressions of the enjoyment and pleasure derived from reading the stories of Arthur B. Reeve—the American Conan Doyle. . . .

Testimony that has little real value in itself may often be useful because of its power to arouse desire. When a woman reads the pleasant things said about a hair shampoo by her favorite moving-picture actress whose hair she has admired; when a man reads the warm commendations signed by baseball players and pugilists of national reputation—they cannot help being influenced unconsciously in favor of the article in spite of possible doubt as to the value of the testimonials. On account of their popular appeal, such testimonials, however, are more suitable for use in advertisements than in sales letters. Testimonials that appear in sales

letters should have more of the sound, convincing element. An illustration follows:

Since it was submitted to you before, upward of 60,000 people have accepted and benefited, to their immense satisfaction.

One subscriber—Mr. Herbert Schaber, Lexington, Ky., and his opinion is typical of hundreds of others—is convinced that at the "extremely low price, they are positively the best bargain I ever saw in the book line. I would not sell a single volume for the price I paid for ten if I could not replace it. I was at first dubious about sending you the complete price, for I couldn't understand how you could sell books of any merit at that low figure, but now that I have examined them I hasten to send you the remainder."

On account of the limitations of space in the letter, testimonials commonly appear in an inclosure. And here it is possible to make the testimonial extremely effective, not by quoting from it, but by reproducing it in facsimile.

Samples and Tests

One of the strongest kinds of evidence is the evidence of the reader's own senses as applied in tests he can perform for himself. The inclosure of a sample with specific directions as to how to make the test is most excellent proof, for the reader can make the test with his own hands and see the result. Two examples of this kind of evidence are the following:

You can prove the excellence of "Oldtown Bond" in a second. Just tear off the corner of this sheet, then tear a corner off one of your present letterheads. Now get a magnifying glass and examine both torn edges. You find long fibers—linen threads—on ours, while on yours the fibers are short, woody.

This letter was printed and filled in on the Lettergraph at an expense of less than three-tenths of one cent. Can you

imagine a more perfect match? There cannot be one, for the same ribbon that printed the letter was used for the fill-in.

Compare the letter with work done on any other machine. Then compare the costs. You will have the two best reasons why you should buy a Lettergraph.

The reader may not go to the trouble of performing tests, but he is likely to be convinced by them because he believes that you would not ask that the test be made unless you were sure that the test would show what you claimed.

Very similar to the use of samples is the practice of offering to send the article on approval for, say, five days' free trial. Such an offer not only tends to remove all doubt (the reader cannot possibly lose anything because he does not send any money until he has tried the article and found it satisfactory), but it also makes ordering easy.

Guaranties

The peculiar nature of selling by mail to a person who may be living one thousand miles away, who does not know you, and who may have some doubt of your good intentions, almost makes necessary the use of a guaranty of some sort. In fact, most of the out-and-out mail-order houses have been obliged to adopt a money-back-if-not-satisfied guaranty to assure their customers that they are taking no more of a risk by buying at a distance than from their corner store. Where this type of evidence is practicable, it would seem hardly worth while to spend much space in other kinds of proof, unless they have also a desire-arousing value.

Guaranties are also of great value in case the article offered for sale is to be used over a long period

of time. A manufacturer of tar-paper roofing material is almost compelled to give a guaranty that he will refund the purchase money if the roofing does not give good use for a period of, say, three years.

"Scientific Construction" Evidence

Another form of evidence frequently used is that called "scientific construction" evidence; *e.g.*, the manager of an automobile truck tells how the steel used is tested and how each assembly operation is inspected. The paper manufacturer tells how his paper is made of carefully selected rag stock. Such statements do not constitute direct evidence that the automobile truck is durable or that the paper is good—actual tests alone could do that; but they suggest to the reader that they probably are.

The Tone of Confidence and Sincerity

The securing of the reader's confidence depends as much upon the style and tone of the letter as upon its substance. If you have confidence yourself in the merit of your proposition and breathe that confidence into every word of your letter, your reader is not likely to doubt your sincerity. From experience, buyers have learned that salesmen who seem themselves to be confident of the merits of their proposition really have, in the great majority of instances, a meritorious proposition. Salesmen who know the weaknesses of their articles are seldom able to prevent a note of lack of confidence from appearing in their sales talk. Just as a prospective customer is influenced by the enthusiasm and con-

fidence of a personal salesman, so likewise is a reader inclined to believe a letter that rings true—that reflects the sincerity and honest belief of the writer.

It is also well to note that it is dangerous to admit to the reader a fact you may know to be true—*i.e.*, that he is inclined to be suspicious of your offer. The following example illustrates this fault:

> You have a chance to obtain *absolutely free* the "Storekeeper's Manual," one of the most valuable little guides to efficient retail selling ever published.
>
> When some one offers you something free, if you are like most people, you suspect there must be "some nigger in the woodpile." The nigger in this case isn't in the book. . . .

For a similar reason a piece of evidence or a bit of corresponding argument should end with a positive tone:

Weak	*Better*
If after reading what these prominent men have said about the Blakenbob, you are not convinced that it would save you many dollars—why, throw this letter and booklet into the waste basket.	After reading what these prominent users have said about the Blankenbob, you surely will want to try it for yourself and see if it will make just as big savings for you.

Obvious over-statement or exaggeration are positively harmful, for they cause the reader to doubt all other statements in the letter. Be conservative both in your tone and in the presentation of your evidence.

When you are presenting convincing material, it is not advisable to adopt the tone of the debater trying to prove a point. The decision does not rest with an impartial judge, but with one who is on guard against buying or who is skeptical to begin

with. A cold statement of fact may not touch him. It is necessary to win him over by evidence presented in a persuasive tone.

In conclusion, it is advisable to repeat that your own attitude of mind will do much to color that of your reader. Honest belief in the merits of your proposition and honest desire to serve will go far toward convincing the average reader.

Stimulating Action

In all probability the most difficult part of a sales letter is the beginning; the most critical part is the close. The effectiveness of this part determines, in great measure, the number of responses you will receive from those who have read the entire letter.

The sales letter must do more than to get the reader to want the article and to convince him that he will make no mistake by buying it; *it must make him act.* If it fails in this, it may not always be a complete waste, for it may be a letter that will be followed by another letter; but it will have failed on that occasion, anyway. The purpose of the ending, then, is to turn desire and conviction into favorable action.

In this particular, the personal salesman has a great advantage over the letter. He can usually stay until he gets a decision of some kind. But the letter, when it is finished, can be laid aside. It cannot force a decision as the salesman can so often do. If it is considered later, it is less likely to secure a response, for the reader will seldom read it through a second time, and thus will not have

aroused in him the same desire that he had when he read it the first time.

"Delay is the enemy of the sale" is a sound sales principle. The time most favorable to you to get action from the reader is when his interest and desire are keenest—and that is just after he has read your appeal, not several hours or several days later when he is sure to have forgotten most of it. The peak of the buying impulse that you have created seldom lasts for more than a few seconds at most. Other matters seize the reader's attention and the effect of your letter soon passes. You must "strike while the iron is hot." A weak ending is not a serious handicap to a sales letter that is merely attempting to educate or develop good will; but a letter that is to be judged in any degree by direct returns must have a strong close. Few letters meet this requirement. Many begin attractively, create desire, and convince—only to slump off in a weak or forceless ending.

There are at least three dependable methods that assist in making the reader act, and act *now*. These are as follows:

1. Offering inducements to action.
2. Making action easy.
3. Commanding or suggesting immediate action.

Obstacles That Prevent Action

Assuming that after the reader has read your letter he wants to buy the article, why doesn't he buy it? Some readers do; but many do not. One of the most common reasons is that it is human nature to put off doing a thing. This may be called

mental inertia, procrastination, or just laziness. Think of the many things it will be to your benefit to do, which you are postponing doing. And so with your reader. He may say to himself, "That is a good thing for me to get. I'll send for it to-morrow." But when to-morrow comes, he either has forgotten about it or again postpones it. So common in persons is this mental trait—this obstacle to the action you want them to take—that you must always take measures in your letter to overcome it.

Other common obstacles or inhibitions must be overcome by the nature of the marketing campaign itself. An offer to send the article on approval with no money in advance takes care of the natural reluctance of the reader to part with his cash. Many books are sold by mail and by advertising through the use of that method. The installment plan of selling is also employed to overcome the inability to pay a large sum of money at one time. As far as possible these obstacles should be foreseen and provided for; but sometimes they unexpectedly develop in the course of the campaign and have to be removed later.

Offering Inducements to Action

Inducements to action are usually made in the form of an offer of some advantage for promptness in ordering—or, what amounts to the same thing, a penalty of some kind for delay. By these means the reader is spurred on to take action immediately. He is told that if his order is received for a certain set of books by a specified date he will be

given a book rack. Or, again, he is informed that unless his order is received by a specified time he will be obliged to pay a higher price.

Premiums for promptness are generally articles related in some way to the one being sold. These are given free to those who respond immediately or by a fixed date. A book may be offered with a year's subscription to a magazine; a bookcase with an encyclopædia; a manicure set with a toilet preparation. Such premiums are described in detail to make the reader desire them. And it is not far from the truth to say that many persons buy an article in order to get the premium.

As a special inducement to you, I will make you this offer: Provided I receive your subscription by Monday, April 15, I will send you one of the few remaining first-edition copies of "How to Finance a Business" at no cost to you. Full description of this unusually valuable book will be found in the inclosed circular.

Remember, send no money—simply fill in the numbered card and mail it now—to-day. And this remarkable book becomes yours at once, without risk or extra expense.

Yours truly,

Sometimes, instead of giving an article free as a premium for promptness, an absurdly low price is placed upon it. This is a bargain appeal, pure and simple, but the combination of the two articles is thereby made so attractive that the reader is given a strong urge to buy now.

Making the reader fear to delay lest he incur a penalty in the form of a higher price, or lest he be unable to get the article at all, impels him to immediate response. Despite the fact that this method is

often abused, it is still one of the most powerful incentives to action. Examples follow:

On June 1, the price of this course will positively be raised from $50 to $65. To take advantage of the old rate, you must send in your enrollment now. Save $15. Fill in the inclosed form and mail it to-day.

Yours truly,

We have only 216 of these brief cases left. At this remarkable price of $4, they are sure to be disposed of in a few days. No more can be had. So send your order now.

Yours truly,

Making Action Easy

The easier it is for the reader to respond, the more likely his response. Many writers of sales letters, however, neglect to give consideration to this point when they are planning their letters, with the result that some readers who otherwise would have responded fail to do so. Consider, for instance, the following situation: A publishing house is planning to send a sales letter to thousands of prospective customers to induce them to buy by mail a small household expense book, at the price of seventy-five cents. Some thought must be given to how the sum of seventy-five cents is to be sent by the customer. If the letter states: "Write your name and address at the foot of this letter, wrap 75 cents in it, and mail now," some of the customers who otherwise would have ordered will not do so. Their reason would be, "I am not going to risk sending 75 cents loose through the mails." Moreover, if the letter states, "Just get a money order for

75 cents and mail it with your order," some customers will not take the trouble of going to the post-office for the money order. To overcome such obstacles and to make ordering easy, the publishing house incloses a coin card in the letter and writes as follows:

> Put one 50-cent piece and one 25-cent piece (the price of the book) in the inclosed coin card; fill out the order blank on the back of it; and mail to-day. We will assume all risk. So send your order now.

It might be well to pause here to consider what the usual steps are in responding. First you write or dictate a letter, then sign it, inclose it in an envelope, address the envelope, seal it, stamp it, and see that it is mailed. To do all these things requires some effort—effort that the prospective customer often does not care to make. As much effort as possible should be saved him, for the less the effort required of him the more likely he is to respond.

The inclosure of an order blank is helpful, because it saves the reader the time and labor of writing a letter. This blank should be as simple as possible, and whenever possible should provide for the use of check marks instead of writing. The reader is told exactly what information is desired (such as size, kind, color, and number) and is thus helped in making out his order.

The order blank is often made to help the other functions of the letter by carrying, for example, a description of the article (some readers throw the letter away, but keep the order blank) that refreshes the desire of the reader. The regular price may be crossed out and the special price may appear in

red above it. The date on which the offer is to expire may be stamped on it.

The inclosure of a stamped and self-addressed envelope is of help. All the reader needs to do is to fill in the order blank (sometimes only sign it), and place it in the envelope and mail it. It often happens, moreover, that when the sales letters are sent to the home addresses many prospective customers are kept from ordering because they have no stamps or envelopes in the house.

The use of a return self-addressed post-card still further helps matters. It is usually a better method than the order blank when the nature of the responses desired makes it possible and when the proposition itself is suitable. There are certain classes of propositions, however, acceptance of which the reader would not care to indicate upon a post-card. He would not care to give his personal history in this way to a life-insurance company selling by mail; nor would a woman care to order beautifying preparations in this rather public manner.

Although stamped return cards and stamped envelopes secure more orders or responses, yet such a fact does not necessarily mean that they should be used. Whether they are to be used or not is largely a question of whether they pay—a matter that in many cases tests alone can prove. For example: It is clear that sales letters sent to highly rated prospective customers by a high-class business concern for the purpose of ascertaining whether they would be interested in having bids submitted for the interior decoration and furnishing of their new homes should carry inclosed a stamped envelope

for reply. If the use of stamped return envelopes succeeds in securing even one extra order per thousand letters sent out, the profit on this one order would more than offset the cost (say, twenty-seven dollars per thousand) of the stamped return envelopes.

But in instances where the margin of profit is small, tests must be made. For illustration: A company is planning to send ten thousand letters to a list of prospective customers to induce them to buy an article selling for five dollars. The question arises as to whether or not a stamped return envelope should be used. A test is made. One thousand letters are sent with the stamped return envelope inclosed, and one thousand are sent without it. The results show that the thousand letters with the envelope made eight more sales than the thousand without envelopes. The profit is two dollars and fifty cents per article. Hence, the use of the stamped envelope is credited with having made twenty dollars extra. But the use of stamped envelopes cost the company, say, twenty-seven dollars per thousand. Subtracting twenty dollars (the extra profit made by the use of the envelopes) from twenty-seven dollars (the cost of them) leaves seven dollars. In other words, the use of stamped envelopes cost the company seven dollars more than they were worth. Accordingly, this company in this instance would probably decide not to use stamped envelopes as inclosures.

In case money in advance is wanted, a coin card may be inclosed, or it may be stated that stamps will be accepted, or other directions as to how the

money should be remitted should be given. The example below illustrates this kind of close:

Don't bother to write a letter. Just wrap a one-dollar bill in this letter, put it in the inclosed envelope and mail it back to us.

Very truly yours,

Stimulating Action

Even though inducements to action are offered, and obstacles to action removed, the necessity still remains of giving the right kind of stimulus.

The old manner of ending a sales letter was, "Hoping to receive your valued order, we remain." Most of those who "hoped" in this optimistic way were doomed to disappointment. Such a weak ending actually made it easy for the reader not to order, for it aroused in his mind no feeling that he ought to order now. This kind of ending is seldom found in sales letters to-day.

Experience has shown that a definite command, such as, "Send your order to-day," or, "Mail the card now," is more likely to bring about action. The theory on which the use of the command is based is that, when a reader or hearer receives an order to do something, his natural tendency is to obey. Most persons have been taught by their parents, teachers, and employers to do as they were told. The result of this training is that it is almost second nature to obey without stopping to consider why. The command, therefore, to do a specific act provides an impulse that is often sufficient to overcome the natural inertia.

Such forms of commands as "Do it to-day" and

"Do it now" have, however, lost some of their original force because they have been used so many times that they are commonplace and also because they are rather general. It will pay you, therefore, to word your command in a more original way and to make it more specific. The following will illustrate:

Sign the card, hand it to your secretary, and tell her to mail it to-day.

Just check the word "yes" on the card and put it in the mail basket now.

Print your name and address on the order blank so we shall be sure to have them right; place it in the inclosed envelope, and send it now.

From a psychological standpoint, it is most effective to have the command the final sentence of the letter, so that the reader's attention will not be attracted to something else—so that it will be the last thing in his mind. If a pamphlet or circular or other similar inclosure is used, it will probably be read after the letter. In such a case it is also necessary that the command be given again at the end of that inclosure.

Many persons, however, do not like to be commanded. This is especially true of women and persons of the higher class. The impulse to do as ordered is often met and overcome with a reaction against the tone used. Such persons respond more readily to a suggestive close, such as, "Why not mail the card now and let us send you a sample?"

Other examples of the general suggestive close are the following:

All you need to do is to write "yes" on your letterhead or business card and mail it in the inclosed envelope.

We shall be glad to send you a copy of this booklet if you will sign the inclosed card.

The foregoing type of close is admittedly less forceful than the direct command, but it has the advantage of being more courteous and less likely to arouse resentment. Moreover, it has more originality. Triteness of any kind at the end of a letter is harmful.

Examples of Sales Letters

A study of the various letters shown below will help to give you an idea of how all the functions of selling are performed by the single sales letter. In studying them you should understand that in most instances circulars and other inclosures were used with the letters. Space is not available for showing these inclosures.

(*Letter sent by a paint dealer to persons who might be interested in repainting the interior of their homes or in refinishing their furniture.*)

DEAR SIR:

The value of your property is very materially increased through the use of good paint. It is estimated that a house that is well painted inside and out will sell for 25% more than one that has been allowed to get shabby-looking.

Anyone can work wonderful changes in the interior of a house at very little cost with some of the special Ojaco ready-mixed paints, stains, and enamels which we carry. A little stirring—and they are ready to use.

Take the bathroom, for instance. Give all the woodwork, doors, baseboards, window frames, and medicine closet a coat or two of Ojaco White Decorative Enamel. The result will surprise you. Use a delicate tint of Dec-o-kote, a sanitary, flat-color wall paint on the walls. Its hard surface is non-absorbent and is washable with soap and water.

Your floors and old furniture can be made to look 100% better with Ojaco Stains, Ojaco Floor Paint, or Ojaco White Enamel. We are inclosing a little folder about this enamel. It's well worth reading.

For the outside of your house use our Ojaco Mixed Paints, made from the very best material. They retain their gloss and color, and preserve and protect the wood far longer than ordinary paints. Come in and talk with our experienced paint men. They can give you much valuable information about the right paint to use, quantity needed, etc. Drop in the next time you are in our neighborhood.

Yours very truly,

(*Letter sent by a publisher to sell a set of books to users.*)

Dear Sir:

There is no better way to relax after your day's work than that enjoyed by Colonel Roosevelt and ex-President Wilson.

Each found rest and new mental energy in following the exploits of clever detectives and rogues of the underworld.

Why do the foremost men and women prefer this kind of reading? Because a "rattling good detective story" puts their minds in a new, refreshing atmosphere.

You, too, can find thrills in the detective stories of Arthur B. Reeve, the American Conan Doyle, written along absolutely new lines, *based on science*, involving a knowledge of the underworld beyond that possessed by any other writer to-day.

Sir Arthur Conan Doyle, the creator of Sherlock Holmes, says: "Poe is the inventor of the detective story and the master of the short story. I would emphasize my own indebtedness to Poe."

To introduce this new edition of Arthur B. Reeve, we will send you the complete stories of Craig Kennedy, the American Sherlock Holmes, together with 10 volumes of Poe *free.*

But you must act at once. This offer is open for a short time only.

Both sets will be sent to you on ten days' approval. There is no obligation. Send no money. Just sign and mail the application form at once and get, not only Arthur B. Reeve in 12 volumes, but also the 10 volumes of Edgar Allan Poe free.

Yours very truly,

A Final Word

These last two chapters have attempted merely to analyze the sales letter from a scientific standpoint and to bring out the general principles by which the construction of a sales letter is governed. They have pointed out some methods that have been successfully employed in the past and will prove helpful in the future. No letter that absolutely disregards them is likely to be very effective.

It should be remembered, however, that the specific methods discussed are not equally effective under all circumstances. Their use depends upon the class of readers reached, the type of article being sold, and the value of the letter to the rest of the marketing campaign.

The necessity for originality, imagination, and intelligent application of the general principles is still present. The successful sales-letter writer will learn as much as he can about the methods employed by others, will adapt them understandingly to his own use, and will then add new methods out of his own imagination. Know the science of selling by letter as practiced by others, but do not just copy

their methods. Find new ways of accomplishing the result that others have accomplished with their methods. Put into your work your own character.

PROBLEMS

1. Get a recent copy of *System*, the magazine of business published by the A. W. Shaw Company. Glance through the various advertisements until you find one that presents an article costing $5 or less. Read this advertisement carefully, and then write a single sales letter to sell it by mail. Assume that a circular is to accompany the letter.

2. Write a single sales letter to sell a set of books by such authors as Kipling, Victor Hugo, and Mark Twain. Assume that a circular is to accompany the letter. The price of the set is to be, say, $38. Two dollars is to be sent with order and the remainder in installments of $4 each month.

3. Look through the advertisements of such general publications as the *Saturday Evening Post*, the *Literary Digest*, or the *American Magazine*. Find an advertisement that presents some automobile accessory (for example, shock absorbers for Ford cars, or a wire rope tow line). Then write a single sales letter to sell the article by mail to owners of automobiles. Assume that a circular is to be inclosed.

CHAPTER X

Business Promotion Letters

What the Business Promotion Letter Is

Within the organization of the more progressive type of business houses there is often found a department that bears the name, "New Business Department," "Business Promotion Department," or some similar title. The chief purpose of such a department is, as its title indicates, to devise and put into operation ways and means of extending or increasing the business of the concern. One of the most effective methods used by this department to accomplish its aim is the "business promotion" letter—*i.e.*, a letter that seeks to promote or develop business.

Such a letter is, of course, virtually a sales letter, for, like the sales letter, its purpose is to accomplish the sale of goods or services. It differs from the sales letter in the respect that it usually attempts to accomplish its purpose in an indirect manner. For example: One of the common types of promotion letters is the letter used by retail merchants to solicit charge accounts. If the letter is successful, the new charge accounts that are opened bring about an increased sale of goods or services. A typical letter follows:

DEAR MADAM:

May we have the pleasure of opening a charge account in your name?

As it is always our wish to serve you better, we desire to be sure that any purchasing you may do here will be as convenient and as satisfactory as possible. The saving in time particularly has proved so gratifying to those customers who now use this method of shopping, that we are prompted to offer you the same advantage.

A charge account will be automatically opened in your name with the first selections you order "charged," whether you purchase in person, by mail, or by phone.

We hope that you will favor us with a part of your patronage.

Very truly yours,

The chief difference between the business promotion letter and the sales letter is that *the former does not appear to be a sales letter*. And therein lies its effectiveness, for a letter that is obviously trying to sell something usually places the reader on his guard against being sold. Customers like to buy, but they do not like to be sold. Just as the average business man when approached by a salesman "withdraws into his shell" to protect himself from being forced to buy something, just so does the average reader place himself on the defensive when he realizes that a letter is trying to sell something. The business promotion letter seldom appears to be trying to sell. On the contrary, it seems to be merely a friendly sort of letter.

The business promotion letter, moreover, by capitalizing some personal or business relation between the house and the customer, is enabled to

appear as a personal letter. Such a letter is almost sure of a reading.

DEAR SIR:

I wish to thank you personally for the patronage that you recently gave us and to tell you how much we appreciate having you as a customer.

Please remember that we have a "money back" guaranty: If any purchase is not satisfactory to you, we request that you return it—and we will return your money.

If our service should at any time not come up to your expectations, I shall be glad to have you bring the matter to my personal attention.

With these two points of quality and service explained, may we expect to count you among our customers?

Yours truly,

Still another difference between the business promotion letter and the ordinary sales letter is that the former commonly attempts to be of service to the reader—not to sell him. Everybody appreciates service and helpfulness. The manufacturer who shows his dealers how he will help them by national advertising, by supplying window trim, or by sending out letters for them, has a better chance of selling those dealers more goods than the manufacturer who tries in a sales letter to sell the dealers more stock. "He who serves best gains most" applies here. But to be of service to customers or prospective customers the manufacturer, jobber, retailer, bank, or other type of business organization must first put himself in the shoes of the customers to ascertain how he can be of service to his customers, to find what he can do in the matter of providing

help or supplying conveniences that the customers would like and would appreciate.

The Problem

To make the problem of the use of these letters concrete, let us assume that you are the owner of a high-class retail men's clothing store in a city with a population of approximately one hundred thousand. You sell both on a cash and on a credit basis. You advertise consistently in one morning and one evening newspaper; you change your window displays twice a week; you have trained your salespeople to give good service; your prices are fair; the quality of your goods is of the best, etc. Yet, like any other good business man, you are constantly considering two questions, as follows:

1. What further means can I use to hold and get the most trade from my present customers?
2. What further means can I use to secure new customers?

Let us now see how business promotion letters may be of help in answering these two questions.

Holding Present Business

As a good business man, you would appreciate the soundness of the maxim about a bird in the hand being worth two in the bush, and you would realize that success in increasing your business depends just as much on holding your present business as it does on securing new business. What is the use of spending time, effort, and money in the attempt to obtain new customers if one cannot hold those he already has? In fact, it may be said that the merchant who seeks to develop his trade should first

give attention to methods for keeping his present trade.

It is well to remember in this connection that every old customer who has stopped trading at your store means a loss of business to you. The addition of a new customer to take his place may, of course, make up the loss; but no increase of business results. To increase your business you must keep down to a minimum the number of old customers you lose, while at the same time you are securing new ones.

One of the first things you can do is to go over your customers' ledger and draw off a list of the names and addresses of those customers who have bought nothing (according to your records) during, say, the past six months. You may now have a list of several hundred of such customers. Doesn't the fact that these customers are no longer buying anything at your store suggest something to you? Doesn't it suggest that they have stopped buying for some sound reason? As a good business man, you will naturally wish to know why these old customers have ceased trading with you so that you can take steps to stop the gap through which you are losing business and so that you can make an effort to get them to resume their patronage.

All this brings up the question, "What causes customers to discontinue their trade?" Among the minor reasons are death and the removal of residence; the major reason, however, is dissatisfaction —dissatisfaction with the treatment accorded by the business house, with the quality of goods, with prices, and so forth.

After you have secured the list of charge customers

who have bought nothing for the past six months, the next thing is to write the letter. The immediate purpose of this letter is to get the former customer to tell you why he has discontinued his patronage so that, if it is because of a complaint, you may be given the opportunity of adjusting it and thereby remove the obstacle that is keeping him from trading with you. This method of "unearthing" complaints is usually productive of very satisfactory results. Typical letters are shown below:

DEAR SIR:

Recently, when we were looking over our books, we were indeed sorry to find that you have not favored us with your patronage for some time past.

Provided our records are correct in this matter, we feel that something must have gone wrong to have caused you to discontinue your trade.

If you are not fully satisfied with anything you bought from us, remember that we are always eager and ready to adjust the matter to your satisfaction.

We shall certainly appreciate it if you will write to us and tell us frankly just what the trouble has been.

Won't you use the inclosed envelope to let us know?

Yours truly,

(*Letter sent to women customers of a department store. Note the difference in tone, style, and word-use from the letter given above.*)

DEAR MADAM:

Do you like to shop here? I'll tell you why I ask. At one time you had an account with us, but we find with regret that you have not availed yourself of it lately.

This makes us believe that we disappointed you. We know how easy it is for things to go wrong in a big organization and also how possible it is for complaints to go astray or be mishandled.

Was it some lack of courtesy, some mistake in your bill which we seemed needlessly stupid in rectifying? Was some order

carelessly filled, or was there delay in delivery? Perhaps we didn't have just what you were looking for, or you thought our prices higher than elsewhere.

Whatever it was, will you believe us when we say that we want to stand for good service; for supplying promptly what you want at the price you want to pay, and to add to this an extra measure of courtesy which will make you gladder to enter our doors than any others.

Because I am a woman and understand your point of view, won't you be quite frank and tell me why you aren't buying from Blank & Co. any more? Either write or call me on the telephone; or, better still, if you are near our corner won't you come in to see me? Ask any aisle manager to find me and we can talk it out quietly together.

Sincerely yours,

It is well to note that a stamped and self-addressed envelope should be inclosed, for you are asking a favor of your customer. Moreover, the additional cost for these stamped envelopes is more than offset by the extra returns that you will secure. It is hardly necessary to add that all complaints that are received should be handled promptly and adjusted with special liberality.

About ten or fourteen days afterward, a second, or follow-up, letter may be sent to those customers who have not responded to your first letter. An example of such a letter follows:

Dear Sir:

A short time ago, as you may recall, we invited you to let us know whether anything had occurred in past transactions that caused you to discontinue your patronage with us.

As we have received no response as yet, may we again remind you that we shall sincerely welcome the opportunity to adjust to your satisfaction any differences? All we ask is that you write to us, or that you come in to see me personally.

The inclosed envelope is for your convenience.

Yours truly,

Letters similar in substance can be used to good advantage by wholesalers or jobbers, and manufacturers—in fact, this type of letter can be put to work by practically all kinds of businesses and is usually very effective.

Soliciting Charge Accounts

The customer that buys for cash from the retail stores is often a "drifter"; that is, he drifts from store to store, giving no one store the bulk of his business in any one line, such as clothing, for instance. The charge customer, on the other hand, usually concentrates his purchases in one or two stores and continues to buy from that source for a number of years. The reliable charge customer is, therefore, often to be preferred to the cash customer for these two reasons:

1. The charge customer gives the store the bulk of his trade.
2. The charge customer "sticks" by the store.

In view of these reasons, many retail establishments have a policy of soliciting charge accounts from cash customers. The method is somewhat as follows: The names of regular or casual cash customers are passed upon by the credit department for the purpose of ascertaining the financial reliability of the customer. In a small city the problem of determining the responsibility of the customer is not very difficult; but the situation is otherwise in the large city. Yet by making use of the various rating books, merchants' local credit bureaus, the city directory, the telephone book, and by many other means well known to the credit man, a quiet

investigation is made. To those cash customers that are considered to be at least fair risks, a letter is sent offering to open a charge account.

Such letters often create a great deal of good will on account of the pleasant reaction that is made on the customer, for it usually pleases a person to feel that business houses are willing to trust him. An illustration of such a letter is given below:

DEAR SIR:

Responsible names are always welcome on the books of a business house.

We have listed your name among those for whom it would be a pleasure to us to open a charge account.

This letter will not only serve to identify you, but will assure you of the friendliest welcome.

When you come to our store, and we hope it will be soon, may we ask you to present this letter to Mr. Jackson, who will take care of you?

Respectfully yours,

Offering Credit Accounts to Retailers

An application of the practice described just above for holding the business of cash customers can be used by wholesalers or jobbers who desire to "tie up" certain of their cash customers to them by having them do business on a credit basis. A customer that has an established line of credit or a credit account with a wholesale house is less likely to drift away or be enticed away by a competing wholesaler than is the customer that buys for cash. Realizing this fact, a wholesale house whenever possible attempts to bind the customer to itself by offering credit accommodations.

The procedure is practically similar to that used by the retail merchant with his cash customers, and is as follows: The credit manager makes a periodical investigation of the financial responsibility of those customers that are buying for cash, whether on a C. O. D. basis, sight draft with bill of lading attached, cash in advance, or on other cash payment plans. If he finds that a customer's rating or financial condition has become such that it now meets the credit standards of his company, he writes such a letter as that shown below, offering credit accommodations:

GENTLEMEN:

We wish to thank you for your order of October 3, with New York draft inclosed in full payment. We certainly appreciate the business you have been giving us.

The thought has recently come to us that you may desire the advantages of an open account with us. Such an arrangement, we believe, will make more convenient your transactions with us. We therefore have the pleasure of notifying you that we have noted your account for our regular credit terms of 2% 10 net 30, up to a limit of $500.

We sincerely hope that both your business and our acquaintance with you will develop to such an extent that it will be a pleasure to extend to you from time to time larger credit accommodations to take care of your increasing needs.

The business relations between us have been so pleasant that we strongly trust they will continue so. Please remember that if we can ever be of assistance to you in helping you in your business, we only ask that you call upon us.

Cordially yours,

Keeping Accounts Active

If you wait until your customers themselves realize that they need the articles or service you are selling, you may have to wait a long time.

Besides, it is *your* business to remind them from time to time that they may have a need for whatever you are selling. These reminder letters will enable you to develop quite a bit of business from your present customers that otherwise might not be secured; and, at the same time, such letters will create good will and bind your customers to your concern, for the customers that drop away are likely to be those that are neglected.

At this point it is well to have in mind the fact that most customers like to feel that their trade, no matter how small, is appreciated by the concern with which they are doing business, and they like to be noticed and written to. So it happens that letters expressing appreciation of the customers' patronage and soliciting further business are productive of good results—especially in the retail trade. Such letters build up good will, keep the name of the business house fresh in the minds of its patrons, and stimulate their buying.

Suitable occasions for sending such letters are not lacking, either in the retail or in the wholesale business. In the retail field letters can be mailed out at the beginning of each buying season; for instance, in the case of a clothing store such suitable times may be made use of as a week or so before Easter Sunday (to remind the customer to buy clothing and furnishings), at the beginning of the hot season (to stimulate the buying of light-weight clothing, like Palm Beach suits), and in the fall (to call attention to overcoats). Many large retail organizations follow an application of the same practice by informing their regular customers by letter of special sales

before the announcement is made to the general public. Illustrations of the letters referred to in this paragraph follow:

(*Letter used to stimulate sales from regular customers by reminding them of their needs.*)

DEAR SIR:

Do you realize that Easter Sunday is only a few days off—March 27?

Possibly you will want something to complete your wardrobe for the occasion—a new spring hat, a light-weight overcoat, a new suit, or a few ties.

Whatever it is, remember that we have it and are just waiting to serve you.

Why not make it a point to come in to-day and get what you want for Easter?

Very truly yours,

(*Letter used to increase business of regular customers by announcing a private sale.*)

DEAR MADAM:

In appreciation of your patronage we desire to extend to you a personal invitation to attend a private sale of women's tailor-made spring suits (sizes 34 to 48) in a number of decidedly smart models, each of which will be offered at the exceedingly low price of $38.

We extend this invitation to our regular patrons, such as yourself, in order that they may have first selection before the sale is open to the public, and so that they may avoid the inconveniences that usually accompany a public sale.

We have arranged to show these suits privately on Saturday, February 24, in the fitting department on the eighth floor.

Should you desire to avail yourself of this special opportunity, please bring this letter with you and present it at the department mentioned.

Very truly yours,

Such letters are sent not only to charge customers, but to cash customers, also; for it is just as important to stimulate persistently the buying activities of the latter class as of the former class. The only difficulty is that few retail organizations make any systematic effort to secure, compile, and keep an up-to-date list of their cash customers. Yet, unless a retail establishment first gets the names and addresses of its cash customers, whether casual or regular, it is unable to do any of this type of promotion work.

At first glance it may appear difficult to secure the names and addresses of cash customers, but with a little planning it is usually possible to compile a list of the majority of them. The most common method is to draw off the name from the delivery book if the customer has his purchase delivered. When the customer carries his purchase with him, it is necessary to rely on other schemes; for example, the clerk in a shoe store may ask the customer for his name and address "so that a record of the size may be kept on file"; an optician may request the customer to leave his prescription, together with his name and address, so that if he needs a duplicate lens it may be made up immediately. One well-known department store in New York City that is noted for its children's department even goes so far as to secure from its customers, through tactful questioning on the part of the sales clerks who are specially trained in this matter, the names, ages, and birthdays of their children. Various types of letters containing birthday greetings are later, and year after year, sent addressed to the children personally. It is said, and it can be easily

appreciated, that these letters are extremely effective because of the pleasant reaction upon the parents.

In the wholesale field, accounts can be kept active through letters that announce a new advertising campaign, give information on trade conditions, make seasonable offerings, and offer various kinds of help or service. The main purpose of such letters is to create good will between the dealers and the house and to keep the name of the house before its customers. Sales result indirectly. Shown below is a letter sent to dealers informing them of an advertising campaign and requesting them to co-operate.

GENTLEMEN:

During the week of September 9–16 we are going to do quite a bit of advertising which ought to create a good demand for Washington watches.

Full page advertisements will be used in the Saturday Evening Post, Collier's, the Literary Digest, Leslie's Weekly, and the Youth's Companion. Advanced proofs of these advertisements are inclosed.

In order that you may secure your full share of the sales stimulated by this advertising, may we ask you to have a window display of these watches during the week September 9–16? The full effect of this advertising can be secured by you only if you will co-operate in making the display of Washington watches.

Very truly yours,

Manufacturers can help their dealers by providing them with sales letters multigraphed on the dealers' stationery. Such letters will help to increase the dealers' sales, will make the dealers kindly disposed toward the concern that helps them to move their

stocks, and eventually bring about repeat orders. An example of the type of letter sent to the dealer offering to provide him with such letters is given below:

DEAR SIR:

To enable you to make more sales of paints, we wish to make you the following proposition:

We will multigraph for you on your own stationery sales letters to go to three classes of your customers: (1) To those who are building new houses; (2) to those who may by considering repainting their houses or outbuildings; and (3) to those who may be planning to do interior decorating.

We will do the multigraphing, fill in the addresses, address the envelopes, and even pay the postage. All you need to do is to supply us with the list of names and addresses of these customers, and the necessary number of your letterheads and envelopes.

Such letters are bound to bring in good returns to you. Last year we tried them out for several dealers and the results showed up so well that we now wish to see you get the benefit of this advertising plan.

Samples of these letters are inclosed. Read them over and you will see how they will secure results for you.

Make up your list of names and addresses as soon as possible and let us start doing this work for you.

Yours truly,

Some life insurance companies send birthday cards or letters to their policyholders. Such letters, since they come as a pleasant surprise and show a personal interest in the holders, cause favorable reactions that are later of great help to the insurance solicitors when they call to solicit more business. Sometimes a small gift is inclosed, such as a memorandum book, a stamp holder, or a key ring.

DEAR SIR:

Permit us to congratulate you on this thirty-sixth anniversary of your birthday, September 24.

We sincerely wish you health, happiness, and success.

Our little gift is inclosed.

Cordially yours,

Soliciting New Business

The business promotion letter can be used with peculiar effectiveness in soliciting new business. The statement just made is particularly true of the small or specialized retail store, for in this field the letter soliciting new customers can usually be made to bring in more results per dollar of expense than any other method—not even excepting advertising in newspapers.

Assume, for example, that you are the proprietor of an automobile accessories store in a good-sized city. In your efforts to secure new customers you could rely upon personal solicitation, newspaper advertising, or letters—or upon all three. Personal solicitation might mean a sort of house-to-house canvass, a personal call upon prospective customers. This method is seldom used because of the expense and because it would have to be done in the evening, after one had already put in a full day's work. Newspaper advertising would be expensive because of the large "waste circulation"; that is, of the many thousand readers to reach whom you pay a certain rate, comparatively few could be interested in your goods or are in your neighborhood. You are wasting money on those readers whom you cannot expect to interest. These statements should not be taken

to mean that you should not advertise in the newspapers; they are set forth merely to indicate why newspaper advertising is an expensive means of securing new business for an automobile accessories store. On the other hand, if you owned a large department store, newspaper advertising would probably be the most effective method of soliciting new trade.

Let us now see how you would go about interesting new customers in your store by means of letters. First of all, you would need to obtain a list of prospective customers to whom you are going to send letters. This matter is not very difficult in your case, for you can in all probability get for a small fee a list of owners of automobiles in your city either from the Bureau of Licenses of your state or from a mail-list house.

The second step would be to go over this list with care and cross out the names of those who are already customers, and of those whom you believe you could not interest for one reason or another. For example, if your store is situated not in the business center of the city, but instead in a certain definite neighborhood, you would probably limit your choice of prospects to those residing within that neighborhood. Great care should be exercised in selecting the names to go on your mailing list, for every name that does not belong there will cost you money—in other words, you will have a waste circulation, just as in the case of the newspaper, for you will be spending money in reaching persons who cannot be considered good prospects for you. It might be wise, at the beginning, to exclude from your list

the names of owners of automobiles used for commercial purposes and to concentrate upon those who use their cars for pleasure. By so doing you will be able to unify your appeal and thereby make it stronger and more effective.

The third step is to write letters the purpose of which is to induce your readers to come to your store to buy accessories for their automobiles. One letter of this series might, for example, be sent out in the early part of the year just after the new licenses have been issued and when your prospective customers are considering the approaching season. An example of such a letter is given below:

DEAR SIR:

Within only a few weeks now, spring weather will be here—and that means that motoring will again become a pleasure.

When you are getting your car ready for this new season, you may find that you will need certain things—perhaps a new tire, or an inner tube, some paint, or a pair of pliers. But whatever it is, remember that we are here ready to serve you. Our new stock of accessories has just been unpacked and we believe that we can fix you up with anything you will need.

In inviting you to give us part of your trade, we do so on this basis: If any article you purchase from us is not entirely satisfactory, we will return your money.

May we expect to see you soon?

Yours truly,

The letter given above should be followed, at intervals of from seven to ten days, by at least two other letters, for it usually takes more than one letter to induce any considerable per cent of your prospective customers to enter your store and make their first purchase.

Here is a letter that can be used by a men's retail clothier to solicit trade from prospective customers:

DEAR SIR:

In one of his essays, as you may recall, Emerson wrote that the consciousness of being well dressed gives one the feeling of great satisfaction.

As the summer weather approaches, most of us begin to feel somewhat conscious of the fact that we do need to add to our wardrobe—a few shirts perhaps, some silk hosiery, or possibly a Palm Beach or another kind of light-weight suit. Since you are a neighbor of ours in this district (we are on Cortlandt and Dey streets, just a few steps west of Broadway), we wish to invite you to drop in so that we can help you increase that "consciousness" that Emerson speaks about.

And just a word of introduction about ourselves so that you can know with whom you are dealing: We have been in business here for twenty years; we carry good merchandise only; we realize the value of courteous service; your money back if you are not satisfied.

Why not come in to-day to buy those things that you have been considering getting?

Yours truly,

When wholesale concerns, manufacturers, or banks use this method of soliciting new business, it is customary (and almost necessary) for them to have first investigated the credit standing of the prospective customer before soliciting his business, because they must be prepared to offer credit accommodations. This preliminary step is necessary in view of the fact that a personal solicitation in the form of a letter (not a sales letter) on the part of any one of the business organizations mentioned implies a readiness to extend credit accommodations.

(*Letter sent by a watch manufacturer to dealers whose credit standing has been investigated and found satisfactory, soliciting their business.*)

Dear Sir:

Nearly every man, woman, and child who passes your store or who comes into it is a possible buyer of a watch. Nearly every man you know owns a watch, doesn't he? And nearly every woman would like to have a wrist watch—and you know how every kid teases for one.

There is your market before you. All of these people want a good watch at the lowest possible price—that means a Washington.

All these people can use a good watch, they want a good watch, and they have the money to pay for a good watch—since they need to pay only $2.25 to $7.00 for a Washington. Who is going to sell watches to these people and take the profit? Someone is. Why shouldn't it be you?

You can cash in on this opportunity right now by ordering an assortment of Washingtons. When you get them, display them on your counter, call attention to them, let the customers handle them. You can't help selling Washingtons, for thousands and thousands of our dealer friends are making money on them all the time. Your profit on a watch runs from 75c. to $2.33, depending on the grade you sell.

Have I made myself clear? These people *can* be sold a watch, and you ought to be the one who sells the watch and makes the profit. All you need is an assortment of Washingtons. The order blank is inclosed. Fill it out to-day, for every day that you let slip by means a loss to you in probable profits.

Yours truly,

The letter that follows shows how one bank secures from its present depositors the names of prospective depositors whose business will later be solicited either in person or by letter:

(Letter sent by a bank, and signed by its president, to depositors to enlist their aid in securing new depositors.)

My dear Sir:

The personal interest manifested by the depositors in the growth and welfare of this bank is very noticeable and particularly pleasing to the officers and directors. As it is our policy to render such service that our present depositors will feel warranted in recommending our bank to their numerous friends, it occurs to us that you may be able to suggest the names of business concerns or individuals whom we might approach with the view of their becoming depositors in this institution.

We will appreciate any suggestions you may give us concerning this matter.

Sincerely yours,

The following letter illustrates how a certain large New York bank promotes its business by watching the affairs of its clients and offering them service of of a kind that will bring about closer relationships:

My dear Sir:

We want you to know that we appreciate the account you have been carrying with us, and as we noted that the paper of your company was being offered in the open market by the commercial paper brokers, we were wondering whether it would be any accommodation to you to place a line of credit at your disposal.

If you care to send us any of the paper of your company, bearing your personal indorsement, in any amount up to $100,000, in any maturity up to six months, we should be glad to discount it for you at a rate of 5¼%, provided it is received in the very near future, and place the proceeds to your credit, with the understanding that your balances with us would average about $20,000. On these balances we should be glad to pay you interest at the rate of 2% per annum, credited monthly, when they did not fall below $10,000.

As we have had a great many transactions in our Foreign Department with your company and also with your subsidiary, the George L. Sanders Manufacturing Company, we hope you will continue to give us all of this foreign business, as we are very

anxious to co-operate with you in the development and extension of your trade both at home and abroad.

We receive through the regular channels considerable information on your company, but in order to keep in closer touch with your operation we should appreciate your courtesy if you would ask your bookkeeper to give us a copy of your most recent balance sheet, made out on the Federal Reserve statement form which we inclose. We assume you will want to keep the duplicate for your own files.

We are looking forward to your further communications with interest.

Yours very truly,

Developing Good Will at the Beginning

An occasion that is particularly opportune for developing good will arises when a new customer has made his first purchase. As first impressions are usually the strongest, the opportunity that now presents itself for impressing the new customer with the friendly and appreciative attitude of the business house should be taken advantage of. One means of accomplishing this is to send to the customer a letter in which such attitude is reflected.

An illustration of how this plan operates is as follows: A man walks into an automobile accessory store, buys a tire, and pays cash for it. He asks that it be delivered to his home. He gives his name and address, both of which are entered on a "new customer" card. The next day, and after the tire has been delivered, the following form letter is filled in and sent to him:

DEAR SIR:

Just a word to thank you for the business you recently favored us with. We certainly appreciate it.

We also should like to take this opportunity of informing you that we stand back of every article that we sell. If anything

you ever buy from us is not wholly satisfactory, we only ask that you give us a chance to make it right.

May we expect to see you whenever you need anything else for your car?

Cordially yours,

Such a letter as that shown above creates a friendly feeling, develops confidence, and stimulates the customer to give his trade to the writer.

Suggestions for Writing Promotion Letters

In conclusion, the following suggestions concerning the writing of business promotion letters are given: The main purpose of the business promotion letter is to bring about sales in an indirect manner —by an offer of service, not by a direct sales appeal. Before such a letter can be written it is first necessary to ascertain how you may be of service to the reader.

Except in rare instances, the business promotion letter is brief. It concentrates upon some one idea of service to the reader, or capitalizes some personal or business relation between the parties. It should be like a short personal note. It suggests, rather than states.

PROBLEMS

1. Assume that you are an agent for Goodyear automobile tires. Write a promotion letter to owners of automobiles in your neighborhood to induce them to come to your store and purchase a tire.
2. Assume that you are the proprietor of a men's retail clothing store. Your class of trade is of a high type. Write a

promotion letter to your regular customers to remind them that your fall line of suits is now on display.

3. Assume that you are the sales manager of a manufacturing company that makes such electric household articles as electric flat irons, toasters, and coffee percolators. Write a promotion letter to your dealers to inform them that you will carry full-page advertisements in the *Saturday Evening Post*, *Ladies' Home Journal*, the *Literary Digest*, etc., during October. You ask that your dealers co-operate by displaying your full line in their windows during the week of October 18–25.

CHAPTER XI

Appeals to Different Classes

Adjustment to the Reader

On a number of occasions attention has been directed to the statement that the success of a letter depends in large measure upon its personal element. It is important, however, to emphasize this matter at this point, because the sales letter, particularly, must be adapted to the individual. It must strike home to him—must "get across" to him. This result is gained partly by the emphasis on the pronoun *you*. It is gained more by the use of the proper sales appeal, argument, and language. For instance: It is obvious that in attempting to induce hardware dealers to act as agents for your furnaces for the home, you should use an appeal to their desire to make profits; but in sales letters about the same article, sent to persons who are building new homes, you should use different appeals—the appeal of economy of operation, of convenience, and so forth.

If your sales letters are to have much of a chance for success, you must know which appeals will reach effectively the different classes of persons. You must (1) examine your proposition from the reader's point of view and (2) ascertain his attitude toward the buying of what you offer. One common reason

for the failure of so many sales letters is that they were written without sufficient consideration of those points. The writers of such letters wrote for themselves alone—they used talking-points, tone, and language that appealed to them. Such an attitude invites failure. You must write of things that interest the reader. You must use arguments that appeal to him. You must write to him in his own language—a language that he readily understands and to which he is accustomed.

In order to be able to adapt your sales letters to the various classes of persons to whom you will write, it is necessary that you have a sound, first-hand knowledge of them. The study of selling is just as much a study of people as it is a study of how to influence their decisions. It often happens that a man who was born and has lived on a farm will be able to write successful letters selling farm implements to farmers, but this same man may fail utterly in his sales letters to business men to sell office appliances. Because he had lived with farmers, he knew them, their problems, interests, and desires; he knew how to talk to them—but he did not know business men. The wise writer spends as much thought and time in finding out all he can about the class of persons to whom he intends to appeal as he does in analyzing the talking-points of the proposition itself.

Within the limitations of this chapter, it is impossible to do more than discuss a few illustrations of how the sales letter is adapted in general to the class of readers to which it is sent. Even within the classes discussed, there are differences that it

is not possible here to consider. A farmer in Connecticut is by no means the same as a farmer in California. The problems and needs of the former are usually different from those of the latter. The latter, for example, might be interested in irrigation ditches; whereas the former would not be. In all cases, you should analyze each class with your individual proposition in mind. You may then hope to make an appeal that will influence the reader, and that is presented in the most suitable language and tone.

To illustrate the general principle of adapting the sales letter to its class of readers, consideration will be given to a few of the more important classes.

Letters to Dealers

The problem of selling by mail to dealers has some factors that make it considerably more difficult than selling to consumers. In the first place, the competition is keener. The dealer is constantly being called upon by personal salesmen and he is constantly receiving sales material by mail—by both of which means he is being continually urged to lay in a stock of this or that article. Since dealers hold the key to the wide distribution of most articles, it can be easily realized why so much sales effort is directed at them. As a result, the dealer is a harder man to sell than is a consumer or user. But the fact that the order received from him is larger and brings with it a bigger profit, and that the probabilities are greater for re-orders, many of which will be obtained with a minimum of sales effort, makes it well worth while to spend on him the extra effort necessary.

In writing sales letters to dealers the fact is often overlooked that the dealers are interested not so much in the merits of the article itself as in whether the margin of profit is satisfactory, whether there will be any demand for the article, and whether it can be sold to their regular trade. The dealer does not buy it to use it; he buys it to sell again. He is not primarily interested in its utility, quality, or price except as he may think that they make it a more saleable article to his trade.

The foregoing statement does not mean that the article should not be described or that nothing should be said about the various talking-points that would interest the customer in the article. The dealer appreciates the fact that whatever makes an article more attractive to his customers usually makes it more saleable—and hence more attractive to himself. But if a talking-point connected with the use of the article is emphasized, it should be emphasized from the point of view that the customers will desire the article and will buy it because it possesses that quality. Accordingly, you should prove to your dealers not merely that the article is good, but also that their trade will want to buy it; that it will *sell.*

To state the matter in a different way: The dealer is chiefly interested in how much he can make by handling your article. Why or how it sells is only of secondary interest to him. Successful letters to dealers, therefore, are those that cause him to desire to stock up on the article (1) because he believes that the article will sell readily, (2) because he considers the margin of profit attractive, and (3) because

he believes that the total aggregate profit resulting from a frequency of demand will be large.

The most important of these three points is the first—*i.e.*, the dealer should be made to believe that the article will sell readily. There are dealers, to be sure, who are led to stock up on an article merely because the margin of profit is very attractive, say 75 per cent. But these dealers have not yet learned that such a profit is only a "paper profit" until the article is sold. Instead of showing a profit, such articles often mean a loss because they stick on the shelves—there is no demand for them—and the dealer loses the money he has put into them. The wise dealer, and he is of the type that remains in business, first wants to know such things as just what the demand will be, whether his trade will buy the article, why the article will appeal to his trade, whether the article will sell readily without his being compelled to force its sale, and how he will be helped by the manufacturer in selling it. The necessity of proving such points is clear, and more will be said about them in a succeeding section on the kind of evidence used in letters to dealers.

After the dealer has satisfied himself that he is likely to find a ready market for the article, he next considers the margin of profit. This must first of all be sufficient to permit him to make money. In other words it must be large enough to cover his cost of doing business and in addition show him a satisfactory net profit. For example: If it costs a dealer 23 per cent to do business, he wants at least 33 per cent margin of profit (figured on selling price) so that he can show about 10 per cent net profit on han-

dling the article. Competition usually brings about a standard, or nearly standard, margin of profit on articles of similar quality. Hence, the margin of profit that you offer on your article must compare favorably with that offered on competing articles. This fact indicates that except in rare instances the bare matter of margin of profit is seldom set forth as a separate talking-point. If you can offer a larger margin of profit than can your competitors, it is still necessary to prove that your article will have as ready and as large a sale as similar competing articles. In other words, just as it was pointed out in a preceding chapter that price alone is not sufficient as a talking-point when selling to consumers, so likewise is it true that the margin of profit alone is not sufficient as a talking-point to dealers.

Besides readiness of sale and margin of profit, the dealer considers the total aggregate profit resulting from a frequency of demand. Among the articles offered him to meet a similar need on the part of his trade, the dealer will choose that one which he thinks will show the largest aggregate profit. In other words, the dealer wishes to handle that article which will give him *the largest number of dollars* of profit. For example: A dealer in jewelry is offered two different lines of watches, each of which sells for, say, $2. One watch is nationally advertised; the other is not advertised. From experience he has learned that an advertised product sells more rapidly than an unadvertised one. If the margin of profit is the same, he knows that he will make more money by handling the advertised watch, for he will probably sell two of those to one of the unadvertised.

Even though the margin of profit on the advertised watch is less, say 33 per cent, while that on the unadvertised watch is 40 per cent, he will probably choose the former because he will make (assuming the ratio of selling is 2 to 1) $1.32 on the former in the time he is making only 80 cents on the latter. During the course of a year, this would make quite a difference. Hence, the dealer will usually choose the article on which the total aggregate profit in dollars and cents is largest.

In the instance of unbranded staple articles and other unadvertised goods, price and quality are usually the chief factors and the sales letter must concentrate on such points. But when an article has been well advertised, it gains a certain advantage because the dealer is assured of the probability of a more rapid turnover. Such advantage, of course, should be emphasized. Again, however, when we come to the case of competitive articles of about equal quality and price so far as the dealer or his trade can determine, and equally well advertised, emphasis should naturally be placed upon some phase of service given to the dealer in helping him to sell the goods. It may be said that, in all advanced stages of merchandizing, the service factor of appeal becomes prominent, for it is practically only in this way that a distinction can be made among articles.

To sum up: The material used in a sales letter to dealers usually falls under one or more of the following main topics:

1. The probable demand for the article.
2. The unit profit on the article.

3. The aggregate profit from rapid turnover resulting from
   (a) Merit of article from consumer's standpoint.
      (x) Utility.
      (y) Quality.
      (z) Price and terms.
   (b) Special sales help.
      (x) Advertising.
      (y) Sales letters to consumers.
      (z) Other dealer helps and service.

The Need of Evidence to Dealers

The need of evidence is particularly important in letters to the dealer. From long experience he has learned that he cannot afford to rely too much upon the claims of the seller. Too often has he been induced by the optimistic pictures painted by enthusiastic salesmen to buy articles that later gathered dust on his shelves. He has listened to salesmen who told him about the big advertising campaign that was soon to be started—but which failed to materialize. He has heard promises made by salesmen that any goods he did not sell would be taken back—and has seen the promises broken. The result is that to-day the dealer is one of the most difficult classes to convince. Yet he must be convinced, or he will not buy.

One of the ways to prove to a dealer that there is a demand for the article is to send to him inquiries and orders that have been received as a result of advertising, with the request that he fill them. To prove to him that you are going to run an advertising campaign, you can send him the actual proofs of the advertisements. Some concerns even go so far as to send him the goods on consignment to be paid for as they are sold. These are only a few of

the many ways that are used to convince the dealer that he will make no mistake in handling the article.

Mailings to Dealers

The dealer usually receives a great many sales letters, with the result that it is rather difficult to secure his attention to your letter. Yet since he is always on the lookout for good articles that will sell, the task is not hopeless.

The main requirements of a mailing to a dealer are that it be short and to the point. Letters that run more than three-quarters of a page are not likely to be read. The substance should be presented in a concise, clean-cut way; and emphasis should be placed on those points that will appeal to him. Often large, printed post cards, self-mailers, and broadsides are more effective than letters, because they can make use of color, different sizes of type, and illustrations that seize his attention, and because they present the whole proposition on one sheet. The main point, however, is in having a real sales story to tell and then getting down to brass tacks immediately.

Tone and Language

The tone of letters to dealers should be of the man-to-man, direct-from-the-shoulder type. It should be mature and businesslike. The language may be colloquial and breezy, but mere cleverness is rarely effective—in fact it is usually harmful, because buying is not a joking matter. In the following letter, note the unpleasant reaction secured from the "cleverness" of the language:

GENTLEMEN:

Pity the poor "salers"! Our sales department has been trying their best to steer you right, and Heaven knows I am standing here ready and glad to welcome you at the bar of our safe harbor.

I know our "salers" will do their duty and the gallant little band that has been struggling to bring you on a straight course home will NEVER GIVE UP THE SHIP. But standing here as I am and knowing how they are laboring in this good cause, and knowing of old how they must suffer from exposure to wind and water, bars, schooners, dog watches, mermaids, and all the other perils of the "saler's" life, I appeal to you—if you have a heart—let them steer you straight for Port, and let them know again the joys of being safe on land and home again with their families.

Yours very truly,

Moral: The next time a Blank "Saler man" heaves in sight, give him a signed and sealed order—and tell him to put for home.

The nearer you can come to writing in the dealer's own language, the better, To do this implies naturally that you must have had some personal experience in talking to dealers of the kind you are writing to. It may happen, of course, that successful letters can be written by those without this experience, but there is no possible question that the man who has met and talked to his group of readers and knows them intimately has a big advantage.

Examples of letters to dealers are given below:

(*Letter sent, with inclosures, to drug stores and department stores to sell a face powder.*)

DEAR SIR:

Advertising to the consumer and a large profit for the dealer are the forms of manufacturer service which are most appreciated.

Swansoft, our new face powder, will be announced by full-page color advertisements in May issues, out April 10, of five principal

women's publications—The Delineator, The Designer, The Woman's Magazine, Vogue, and Harper's Bazar. Large display advertisements will follow, reaching eight and a half million women each month.

Swansoft is what you have wanted, a fifty-cent Henry powder. It costs you $3.75 a dozen and sells for $6.

This means 37½% profit on the selling price, or 60% on the cost.

On the first order we offer ⅙ of a dozen free with each dozen —a still larger profit.

Details are on the inclosed blank. It also shows you a colored picture of the Swansoft box, which is handsome enough to sell itself. The window trim and display card are the last word in real class, and are yours for the asking.

Another way we advertise to consumers is by our sampling plan. This shall bring fifty or a hundred or more customers into your store at no cost to yourself.

We shall be glad to explain it.

To be stocked when our advertising appears and to take first and full advantage of the sampling, send in your order at once.

Yours very truly,

(*Letter sent to garage men and auto accessory dealers to solicit orders for automobile lamp stock and cabinet.*)

Dear Sir:

Do you believe there is money in handling automobile lamp bulbs? "There would be," you say, "if I did not have to carry such a big variety of stock, some of which sells very slowly."

This difficulty has been solved and we can now supply you with a small stock of selected lamps from which you can fill every lighting requirement on more than ninety per cent of all gasoline cars. This stock consists of one hundred Brite auto lamps, and includes ten of the new Brite gas-filled headlight lamps which are now in great demand among car owners.

You can obtain this stock, delivered at your door, at an extremely low price, a price that allows you more than 40% profit on each lamp sale. The complete stock is packed in a neat, compact display cabinet which may be placed on your counter or in your

window. This cabinet draws the attention of every automobile owner who enters your store, and will make many sales. A guide showing the proper lamps to install on any gasoline car is supplied with it.

The complete stock of lamps (list value $33.35) with display case and accessories will be sent you for $20.01. Your profit on this investment is more than 40%.

Order a stock to-day and get your share of the profits. Make use of the inclosed order card now.

Very truly yours,

Letters to Business Men

It may not be evident at first sight that there is any difference between dealers and business men, for dealers are business men, although not all business men are dealers. Yet the difference becomes clear when you realize that in selling an article to a dealer, to be resold by him, you would appeal to his desire to make a profit; whereas in selling an article like a show case to him, you are selling him an article for his own use as a business man and you would use the appeal of efficiency or utility.

Your prospect is many-sided. He may be a dealer; at the same time he is a business man; again, he may be a golf enthusiast; and, still again, the same man who is a dealer, a business man, a golf player, may also be a lover of good books. The appeals employed in any one instance naturally depend upon the character in which you are considering him to be. In attempting to sell to him in his character as a golf enthusiast a small, leather-bound book for keeping a yearly record of his golf scores, it is obvious that you would not appeal to him in his other character as a dealer. So it is then that the appeal to him

as a business man will be different from that used to him as a dealer.

In selling an article to a business man for use in the more efficient conduct of his business, you will find that the utility appeal is usually both the most effective and the most commonly employed. The check protector, the multigraphing machine, or the steel filing equipment will be bought only in case he is convinced that it is going to save him money or produce better results. Its chief value to him lies in what it does—its utility.

To create desire for such labor-saving devices as a dictating machine and a visible index system, it is usually necessary to show the business man that he has a need in his office for such devices because they will save money or time, or do better work. Then it is necessary to describe and explain just how the device will do these things. For example: In selling a dictating machine to a business man, the first step is to make him realize that his present stenographic system is wasting time and effort, and hence money. To do this, you must describe the present conditions probably existing in his office, pointing out the high cost of letters caused by duplication of effort and idle time. Then you should show how a dictating machine cuts down costs by eliminating these faults.

Like the dealer, the business man needs to be given strong evidence that the article will really fill his wants—that it will perform the work that it is claimed it will do. He must be convinced of these things before he will consent even to order on approval, or to have a demonstration made in his

office. Evidence in the form of figures showing how business concerns in his field have cut down costs by the use of the device is strong evidence. The business man likes to prove the matter to himself by going over these figures. Oftentimes such evidence impels him to compile figures in the same manner on his own office operations. When he sees that he may make a considerable saving by installing the device, he may then be induced to have it used in his office for several weeks' free trial.

Letters illustrating the appeals used to business men are shown below:

(*Letter sent to office managers to sell paper drinking cups for use in the office.*)

DEAR SIR:

May I ask you a plain question?

In your office, when somebody wants a drink does he fill an ordinary 10-ounce glass after using 6 ounces of good, bottled water to rinse it?

Water costs you 10c. a gallon, doesn't it? So the drink stands you a penny, and half of it goes into the bucket.

By supplying Blank Cups, which contain 5 ounces only—plenty for a drink—and need no rinsing, you would prevent the entire element of waste. You would even save money, for the cup and the water together would cost you just two-thirds of a cent.

Cumulatively, isn't this little economy worth while?

Now for my question. When can you spare two minutes of your time to discuss the matter? A good way to answer a letter of this sort is to scribble a note at the foot of it and return it forthwith.

Yours very truly,

(*Letter sent to officers of large business houses to sell a trade service.*)

DEAR SIR:

Of all the letters that go into your correspondence files, probably not one in ten is ever referred to again. But because you cannot tell which ones will be wanted, your files take care of them all.

If you keep a file of trade information and business data, as many executives do, you have frequently found it unsatisfactory, because incomplete. You cannot tell with certainty which facts secured to-day will be wanted to-morrow. Information that seems unimportant now may be urgently needed later.

And when you need facts, there is little satisfaction in remembering that you have seen them if you can't lay your hands on them.

In such emergencies—as well as in the ordinary run of business affairs—Standard Daily Trade Service proves invaluable. Even corporations with efficient data systems of their own depend on it. They know it contains in one convenient standardized form all basic business information ever likely to be needed. They know its cumulative indexes make every item instantly available.

The expert staff of the Standard Statistics Company has had seventeen years of experience in furnishing financial and business data. It can give service such as few if any corporations could obtain within their own walls.

And remember that this staff is, for all practical purposes, your own. Any special requirements for out-of-the-ordinary information not included in the Daily Trade sheets are met by Personal Service, to which every subscriber is entitled.

We should like to have you talk with our representative and see whether you have not a real need for Standard Daily Trade Service in your office. The inclosed card will summon him.

Very truly yours,

(*Letter sent to business men to sell a card index system.*)

DEAR SIR:

In spite of everything the best managers can do there are always a few conditions in every business that cause constant trouble and annoyance. Because I have "been there myself," I know

of one right in your office that you would give a great deal to eliminate.

I am referring to the shortcomings of the ordinary card index. I haven't a doubt that you have as good a system as could be devised. Yet in spite of this your clerks waste many hours in finding the records they have to handle constantly.

It would perhaps surprise you to learn the amount of time wasted in fumbling and hunting for needed records, although you are perfectly conscious of the exasperating experience everyone is putting up with in connection with such a system. From experiments we learn that practically 50% of a clerk's time is wasted in finding the records he needs.

Anything that promises to save this waste will command your immediate interest.

The INDEX VISIBLE will do it; and it is adaptable to any system of card record-keeping. By a glance of the eye you can read the first line of any card you may need, without hunting for it, or even touching it. By a flick of the finger you can read everything you have recorded on that card. The advantages of such features are self-apparent.

Now all you have to do is to see one of these INDEX VISIBLES to be convinced. What I should like to have you do is, fill out the card I am inclosing and mail it. I shall see to it that a man is sent to you at once with a working model. We make a large number of sizes, as well as a number of different styles, but each and every one works on exactly the same principle, that of keeping all of your cards with one line always VISIBLE. Once you have seen it you will realize its great adaptability.

Simply mail the card to-day.

Yours sincerely,

Evidence in the form of testimonials from other business houses (preferably leading business houses) is helpful, for the business man feels that if such companies as the Standard Oil Company of New York, the Bethlehem Steel Corporation, and Marshall Field & Co. have used the device in their offices and state that it has cut down costs, then it must be all right.

As a general thing, letters should not run more than three-quarters of a page. Use inclosures to do the main work of selling.

The tone of letters to business men should be direct, forceful, and businesslike. Don't "talk down" to your readers or preach to them. Business men are inclined to resent instruction. The assumption of superiority, which is implied by this attitude, greatly harms your chances of response. The following example illustrates:

DEAR SIR:

Any fool can go into business; they stop themselves. You are devoting your entire energies to your business. Your determination is to keep ahead of your business and not to stop it—in short, you are trying to keep step with Progress. Nothing short of wide reading, constant studying, and the ability to put new ideas into working order will ever keep you thoroughly informed. In order to carry your business higher and higher you must install into it personality, and this means unflagging work in the right direction.

Letters to Women

The chief reason for the use of different appeals to women from those used to dealers or business men or to men in general is that in most cases woman's activities are in a different sphere from the man's.

Moreover, many of her desires and needs are different. The business man is interested in his business; the woman in her home. She is interested in making her home comfortable and beautiful. She is interested in seeing that her children are well dressed; that the food for the table is wholesome. She desires to look beautiful, to be dressed in the latest

style. These are indicative of her peculiar activities in life, and her characteristic desires.

But such generalizations about women are, after all, generalizations to which numerous exceptions can be taken. Many women are to-day in business. In selling them articles for use in their business you would employ the same appeals as to business men. The only difference would be in the language used.

Many women are proprietors of stores, and to them you would use the same appeal as to dealers. At the same time just as a personal salesman adapts his sales talk to women dealers, so likewise in letters to women dealers the tone and language used would be different from those used in letters to men dealers. Although she may be a dealer or in business, a woman is still a woman and must receive a consideration to which she has become accustomed because she is a woman.

In fact, one of the chief differences between letters to women and letters to men is the tone. To business men who are strangers you may safely write in a cordial, man-to-man fashion. To a woman, such a letter might seem presumptuous to a degree. Intimacy in tone should be reserved until acquaintanceship has become sufficiently close to warrant it. Even the store with which she has dealt many years, perhaps, does not dare to write to her with a complete absence of formality.

Adaptation to Women in the Home

The woman in the home does not receive so much mail as the average business man, and what she does receive is not usually of a business character. As a

result she is not familiar with business forms and usages and is rather inclined to dislike and avoid them because they are so much out of her sphere. That fact should be recognized and made use of. Instead of using the regular business style of envelope, letterhead, and mechanical make-up in your sales letters to women, you will find it advantageous to give your letter the appearance of being a social communication. A baronial envelope with the return address printed on the back flap instead of in the upper left corner of the envelope, a single or double letter sheet, not measuring 8½x11 inches, as does the regular business letterhead, but approximately 7x10 inches or even smaller, with the printing in small type, the address on the envelope in handwriting, not in typewriting—these things do much to help your letters appeal to women. In some instances, even, the entire letter is a facsimile of handwriting and is made to appear just like a real letter with its crossed-out words. This latter device, although it is almost certain to secure a reading, usually causes a negative reaction, for the reader feels that she has been tricked.

Women are more susceptible to the appearance of a letter than are men. Accordingly, the money spent on and the attention given to securing a good-looking letter are well repaid in results. Small details should be watched. For instance: Letters are multigraphed ordinarily in pica or universal type (12-point typewriter type) or in elite type (10-point typewriter type). The use of the elite type in letters to women is recommended because it gives the letter a neater appearance.

All these matters are, to be sure, superficial, but they do help to impress women and thereby assist in making a favorable appeal. Yet the real test is in the body of the letter, its substance and style.

The kind of articles commonly sold to women in the home is such that the efficiency appeal is seldom used. Emotional appeals are more generally effective, such as appeals to pride, the maternal instinct, and the like. But it should be noted that direct, bald emotional appeals are to be avoided. The effect should be gained by suggestion rather than by direct statement. The following example shows how *not* to do it:

You, like every other woman, want a beautiful figure. This appearance you can gain by the use of the A. B. C. Corset. It will improve the appearance of any gown worn over it.

Such a statement directly implies that the reader does not possess a beautiful figure and wishes to obtain one. The following statement conveys the idea in a more delicate way:

Even your most beautiful gown will not make you look your best unless the corset you wear does its part.

Another contrast which will bring out the point is the following:

Poor	*Better*
If you want your children to be really well educated, you will not depend on the schools alone, but will see that a delightful and instructive set of books is always within their reach.	With these books within their reach, your children, even outside of school hours, will be gaining the priceless advantages of education while they are enjoying themselves.

There are many ideas and appeals used in letters to women that cannot be expressed in so many words.

They can only be suggested in such a way that the reader by reading between the lines will grasp them. In emotional appeals to women, especially, this fact should be borne in mind.

Certain articles sold to women require that the utility appeal be used. Such articles as washing machines and vacuum cleaners are sold on such an appeal. In creating desire for them, however, the saving they accomplish in labor should not, as in the case of business men, be expressed in terms of dollars and cents, but in the more tangible things of the woman's daily life, such as backache, worry, heat and dust, confusion, and the like.

The old way made such a drudgery of wash day. Hours of rubbing on a washboard. Turning and lifting and punching the heavy clothes in a steaming boiler. That is what wash day has meant to housewives for centuries. It used to be necessary, for there was no other way to get the clothes clean.

But now, that is all over. There is a new way that makes washing merely an incident in the daily round instead of the grind it used to be.

Another point of difference worthy of notice is that when inducements are offered to make the price seem low, premiums are more effective with women than discounts. Mail-order houses have found that one of the most effective ways to convince a woman of their low prices is to allow her to buy so many pounds of such a staple article as sugar for $1 with every order for groceries amounting to $10 or more. She compares this price with the price she knows the grocery store charges and is thereby convinced that the mail-order house is offering a real bargain. Such a saving is expressed in terms of her

shopping experiences and appeals to her more strongly than would a 3-per-cent discount on the $10 order itself. Odd prices like $1.98 and $12.69 appear to be reductions from $2 and $13, and, accordingly, appeal to her saving instinct.

The kind of evidence used to convince women differs in some particulars from the type employed with business men. Facts and figures are seldom used, because often the kind of articles sold to women does not lend itself to the use of this type of evidence and because facts and figures lack human interest. The fact that more than, say, 300,000 women use Community Plate silverware is not so convincing as the fact that Mrs. W. K. Vanderbilt uses it. This brings up the matter that women are inclined to follow the lead of recognized social personages. Testimonials from women who are known to her by reputation are usually very effective. The testimonial letter of Mrs. Grover Cleveland indorsing a certain make of cedar chest is said to have been very successful in convincing women of the value of the chest.

Even more valuable in many instances is the guaranty method. Women have so often been deceived by the claims of the house-to-house canvasser that they hesitate to buy unless they know they can get their money back if they do not like the article.

Samples of material are very helpful, for in such matters as dress especially personal taste plays a large part.

The style of a letter to women is particularly important. The tone should be deferential, and in most cases slightly formal. Women are more sensi-

tive to such matters than men. Slang and colloquial phrases usually cause negative reactions that seriously affect the favorableness of the appeal. They cause women to look down on the writer. If anything, the language should be above the level used by the reader. In certain letters, French words and expressions are effective in imparting to the article a character of foreign charm. In this connection it will be valuable training for you to read the advertisements in such magazines as *Vogue* and *Vanity Fair*. For example:

All the little touches that lend *finesse* to the small home function are furnished by Louis Sherry at moderate charges. When next you entertain *chez vous* obtain an estimate from Sherry's.

Sometimes a rather intimate and personal language is used when the letter is signed by a woman. It is interesting to note that several of the large metropolitan department stores have women correspondents to compose such letters, for it is extremely difficult for a man to use the diction suitable to such letters without striking false notes. Here is part of a letter written by a woman. Note the chatty style.

DEAR MADAM:

I have just returned from Japan. And you should see the bewitching kimonos I brought. They are perfect dreams—and such amazing bargains.

Again and again have I seen American women traveling in Japan simply go into raptures over the exquisite kimonos they make there. There is really nothing to compare with them in the stores here at home—unless perhaps in the expensive specialty shops.

And the difference in prices! It is truly astonishing how much cheaper things are there than here. . . .

It is particularly important that the ending of the letter, where the reader is told what to do in sending her reply, should be clear. To women of the less highly educated classes especially, it is worth while to repeat the instructions at the end of the letter for the sake of clearness. The following will illustrate an excellent close:

"Now what am I to do?" you ask. Simply send your order to me personally. Just say, "Make my suit as you agree in your letter."

Now, if you wish other samples or information, write to me personally, and I will take care of it for you. But the sooner you get your order to me the better.

Please consider that we, at the Federal, shall always be glad to be of service to you. I, especially, shall be pleased to have the opportunity of making you a suit of which you can be proud and of which we shall be glad to have you say, "This is a Federal suit."

Shall I hear from you soon?

Yours very respectfully,

And finally, if you are a man, have some woman read your sales letter and criticize it before you send it.

The following letters illustrate types of letters sent to women:

(*Letter sent to women by a New York hotel, soliciting their patronage.*)

Dear Madam:

At the suggestion of Mrs. Evelyn Hubbell, of Castle House, now resident social hostess of this hotel, we are sending you one of our illustrated booklets.

While the Majestic is often considered a residential house and many suites are leased by the year, our transient business is an

important feature, and, under the present management, is constantly increasing.

Situated in a permanently residential neighborhood, the Majestic is particularly attractive to those who wish to be slightly removed from the congested district, yet quickly accessible to business, shopping, and amusement centers.

As you undoubtedly visit New York frequently, if you will send a Western Union message collect for reservation, it will have my personal attention. If desired, our courier and auto brougham will meet you.

Yours very truly,

(*Letter sent to women to induce them to subscribe to a fashion magazine.*)

Dear Madam:

There is a fashion editor and her Paris staff that I want you to employ as your own.

They go everywhere in the foreign fashion centers, are present at the private reviews, and trusted with the secrets of foreign couturiers—they get their information even in advance of Paris!

If this staff worked exclusively for you, they could give you no better guidance—and their sketches and advice would cost you —at a very conservative estimate—$30,000.

I want to offer you their services for the next six months—the months in which you will plan and make your fall and winter wardrobe—not for $30,000 nor for $1,000, but for one single dollar.

This staff, by the way, is the splendid Paris staff of Le Costume Royal, whose reputation for cleverness, authenticity, and exclusiveness is unsurpassed.

You know Le Costume Royal—you know how practical it is, how helpful it is, and how, because it prevents costly gowning errors, it saves you many dollars.

But perhaps you have never considered why Le Costume Royal is so smart and so helpful.

It is because we concentrate on fashions—fashions, fashions. No essays—no criticisms—no fiction—no society pictures—Le Costume Royal would not be the pre-eminent fashion authority it is, if we so scattered our energies.

And because Le Costume Royal devotes itself exclusively to fashions, we are able to show many more smart designs than any other fashion publication!

For instance, the first number on this special offer of six issues for one dollar, the October number—ready for you now—contains:

76 Paris costume designs
44 smart new suits
21 coats and evening wraps
43 designs of blouses and skirts

184 designs in all, showing all the modes and, in addition, articles about the new fabrics, accessories, etc.

The October issue and the 5 big numbers that follow it are particularly important since they contain the information that may determine the success or failure of your entire fall and winter wardrobes.

Remember you may have the advice and help of this $30,000 staff simply by mailing the inclosed order blank. $1 brings six big issues—brimming with the designs and gossip of the world's fashion centers.

Sincerely,

Simply sign the order blank, inclose it with $1 in an envelope, send it to Le Costume Royal and you will receive the next 6 numbers (October to March, inclusive). Insure the success of your new gowns now! Send your order to-day.

(*Letter sent to women soliciting their trade.*)

Dear Madame:

Every woman loves wavy hair. And why not? It softens the features; it lends that indescribable something called charm to every one of its proud possessors.

The latest thing here is the installation of the Thomas Lasting Wave. The artist in charge has produced it for so long and with such success, that it was believed no better service could be rendered you than to retain him.

There is little need to tell you, who know this place, how exactingly everything is tested before a particular treatment is offered. A complete waving equipment is now part of this establishment. Those whose hair has been lastingly waved are elated.

Come for the Wave. And when you take your leave you will carry away, in your own hair, that mystery of adornment, which makes discord into harmony, transforms the straight into the curve, and bestows upon its wearer woman's real glory—a lovely crown.

Do come.

Yours most respectfully,

Personally dictated
by Mr. F. L. Lebeau.

Summary

It is not intended that the foregoing discussion concerning the adaptation of sales letters in appeals, language, and tone to dealers, business men, and women is more than suggestive. There are many more differences which space does not allow to be treated. Letters to hardware dealers, for example, will differ in certain particulars from letters to jewelry stores. Yet sufficient information has been given to indicate that differences between classes and within classes exist, to which the sales letter must be adapted if good results are to be expected.

The purpose of this chapter has been achieved, however, if it has made you realize that you should make a study of your class of readers and if it has

pointed out to you some of the ways by which you should adapt your letters to your readers. Further study will disclose other differences and other ways of adaptation.

PROBLEMS

1. Glance through the advertisements in the *Saturday Evening Post*, *System*, or the *Literary Digest* and select some low-priced article (to retail at $5 or less). Then write a letter to dealers to induce them to stock up on it. Assume that the margin of profit allowed the dealer is 33⅓% on the retail price.
2. In the same manner as described in Problem 1, select some low-priced article that would be used in the office of a business man and that can be sold by mail. Write a sales letter to induce business men to buy it.
3. Glance through the advertisements of the *Ladies' Home Journal*, *Woman's Home Companion*, or *Vogue*. Choose some low-priced article that can be sold by mail. Then write a sales letter selling it to women.

CHAPTER XII

Follow-up Sales Letter Systems

Necessity for Follow-up Systems

Comparatively few propositions can be sold by means of a single sales letter. Certainly it is asking too much of a single sales letter to expect it to sell an eight-hundred-dollar piano or a three-thousand-dollar automobile truck when even the best salesman seldom can sell such articles at the first interview.

As a rule, the higher the price of the article, the more sales effort must be expended to bring about the sale. This sales effort, moreover, must be spread over a period of time, for it is only natural that the prospective customers should want to take some time to consider the proposition carefully before they invest the considerable amount of money asked for. The single sales letter cannot meet these requirements, because if it did contain the necessary amount of sales effort it would be so bulky that it would repel attention. And again, since it makes only one call, the single sales letter cannot give the reader sufficient time in which "to think it over." It is seldom advisable, therefore, to employ the single sales letter to sell direct-by-mail articles priced at more than, say, five dollars.

Most propositions require that a number of letters

be sent—and even in the majority of these instances the letters do not perform the entire work of selling. Sometimes, for example, they are followed up by salesmen. In other cases their purpose is to induce the reader to come to the store or office where a further attempt is made to sell him.

Experience has shown that it is not practicable to attempt to sell such articles as high-priced adding machines and automobile trucks by letters alone, for the successful selling of these articles demands the services of salesmen. But it is possible to perform a considerable amount of the necessary preliminary sales effort by means of letters, and thus save the time of the salesmen.

The majority of sales letters, then, are not of the so-called single sales-letter type (*i.e.*, a sales letter that attempts alone to make the sale without the aid of salesmen *or of other letters*), but are rather part of a series of letters. Of course, each letter of the series does seek to accomplish some definite sales purpose—to bring about definite results—but it is only a part of the whole sales effort. Such a series of sales letters is commonly called a follow-up system.

Necessity for Careful Planning

Good sales letters are rare; good follow-up systems are even rarer. The planning of a follow-up system requires science plus experience. The actual construction of the letters requires art. The plan is, in many cases, of more importance than the letters; and it is frequently devised by one who is himself unable to write the letters. Just as the best of

salesmen will fail to make much headway if the marketing plan is wrong, so likewise will the best of letters fail if the system is incorrectly devised. Before a single letter of the system is written, therefore, the plan should have been carefully determined.

It should be recognized at the outset that no one plan of follow-up letters is suitable for all cases. Some writers have advocated the use of four letters as the ideal number in a follow-up campaign; others have asserted that the best results cannot be secured with less than seven or eight. Such statements involve the limitations of individual experience, and are based on an inadequate conception of the follow-up system. Some follow-up systems should have two letters; others, as many as twenty. Some should be on expensive twenty-four-pound bond paper; others should be cheap manila folders.

The method in each individual case is best determined by tests and experience. These are not always available to one who is planning to use a follow-up system, and it is unsafe for him to copy the plan of others, for the propositions may not be similar. The next best thing is to ascertain the general principles by which effective systems have been planned and then to apply them to his own proposition. By so doing he will be better able to devise a system that is adapted to the particular needs of his proposition. Writers who simply know what the article is and then write three, four, or any other arbitrary number of letters to sell it, make frequent mistakes and rarely secure the maximum of results.

To repeat: Most of the systems that fail, do so

not because of weak letters, but because the wrong type of system may have been used, or because the system was planned with insufficient care.

The Types of Follow-up Systems

Before it is possible to plan the system, it is necessary to know what the various systems are and for what purposes they are used. There are three common types of follow-up systems, as follows:

1. The wear-out system.
2. The continuous system
3. The campaign system.

In addition, two of the systems and sometimes the entire three are used together, to which broad system is given the name of combination system.

The theory on which the follow-up systems are based is that the repetition of a sales effort has a cumulative effect, that persistency is rewarded. It is the same theory on which the collection system is based (See page 122). Statistics of a large national life-insurance company, for example, show that on the average five calls are necessary before a sale is made. Yet it cannot correctly be said that the fifth call was the cause of the sale. The sale was brought about by the cumulative effect of the sales talks delivered in the four preceding calls; it was brought about because the solicitor had established a basis of friendship, because the prospect had become better acquainted with him—because the solicitor had used the right kind of persistency. And so likewise do the follow-up systems operate.

The wear-out system is a series of sales letters,

each complete in itself—*i.e.*, each attempts to perform the four functions of selling. The term "wear-out" is derived from the fact that successive letters are sent until the list of names is "worn out"—that is, until the returns from the latest letter no longer make it profitable to send another letter. The list is then said to be "worn out."

Each letter either presents a new appeal or talking-point, or uses the same appeal in different words. The theory on which the wear-out system is based is (besides the cumulative effect of repetition) that readers who do not respond to one type of appeal will respond to a different type, or to the same type if worded differently. Hence, the wear-out system is commonly, but not always, used when the list of prospects consists of various classes of readers, all of whom cannot be reached by the same appeal. The wear-out system is chiefly used to sell direct by mail articles that do not require much educational work. High-priced articles are seldom sold by this system. Examples of its use: A manufacturer of automobile lamps uses a wear-out system of three letters to sell to dealers a display cabinet stocked with the lamps, at a price of twenty dollars. A publisher uses this system to sell to users a set of educational books.

The continuous system, as its name indicates, is a series of letters that are sent out continuously, season after season, year after year (although usually at irregular periods) to a customer or to a prospective customer until his name is removed from the mailing list. Each letter of the system is complete in itself, although it may not perform the four

functions of selling in detail. It may merely accomplish them by suggestion. This system is mainly employed to sell articles for which there is a constantly recurring demand; hence the need for continually keeping after the customer or prospective customer. It is used to accomplish such purposes as to keep accounts active, to develop good will, and to make timely offerings. Examples of its use: Hotels at a Southern winter resort use this system year after year in the endeavor to induce their patrons of former seasons to return for the present season.

The campaign system is a series designed as a whole to accomplish a definite purpose. This system progresses through the various stages of selling to a climax—to the last letter which attempts to secure the action desired. Unlike the letters of the wear-out and continuous systems, the letters of the campaign system are not complete single sales letters each of which attempts to secure a response; instead each letter is a step forward in the accomplishment of the purpose. Toward the end of the series, the prospect is definitely urged to take a certain definite action. Again, unlike the other two systems which are seldom if ever planned and written out in their entirety, the campaign system is completely prepared in advance, and, once launched, is carried out according to the plan outlined unless unforeseen contingencies arise that require that a change be made. Early returns may show that you are working along the wrong line. In fact, one of the advantages of a follow-up system, as compared with an advertising campaign, is that it can be

changed as conditions warrant, whereas an advertising campaign, since advertising space is contracted for months in advance, cannot be easily changed.

The campaign system is chiefly used to sell high-priced articles direct by mail and to carry on educational work. Examples of its use: A financial news service corporation uses this system to sell a $100 service. An automobile truck company employs it to farmers to educate them in the uses of the truck and to secure an inquiry that the salesmen then follow up.

Before definitely deciding upon the system to be employed and the details of it, you should consider carefully the four important factors given below:

1. The purpose to be accomplished.
2. The price of the article and the margin of profit.
3. The nature of the proposition, particularly in reference to the amount of educational work required to sell it.
4. The class of prospects, and how secured.

The Purpose to be Accomplished

The first thing to have clearly in mind is the purpose you desire to accomplish. You must have some objective you wish to gain—some target to aim at. If it is your intention to have your system attempt to make the sale by mail, well and good—but be sure you have considered the marketing problem carefully enough to feel that it is possible to accomplish the purpose by means of letters. Unless, for example, your rates are extremely attractive, you would find it rather difficult to sell life insurance successfully by mail. Again, you must be sure that the type of system you select is the proper one to accomplish your purpose.

If it is your intention to use your system to secure inquiries which will be followed up by salesmen, the system should be selected and planned toward that end. If the system is to do educational work prior to calls by salesmen, this purpose should be kept in view and the system planned to accomplish it. If you desire to induce the reader to come into your store or office, point your system toward that result. In other words, before it is possible to choose the kind of system to use, you must know precisely what you are trying to do.

The Price of the Article and the Margin of Profit

The price of your article will help you to determine the type of system to use. You should hardly expect to sell a fifty-dollar article to consumers by means of a wear-out system, for such a system is composed of single sales letters. How could you expect a reader to buy after he has finished reading the first letter? But that is what you should expect from a wear-out system. Rather would you choose the campaign system.

The price, moreover, helps to determine the number of letters in the series. The higher the price, the more sales effort is required—which means more letters. A one-hundred-dollar article would need more letters than a twenty-dollar one.

The margin of profit helps to determine the number of letters. If the gross profit on a sale is only one dollar, it is clear that a long series of expensive letters could not be made to pay. Assuming the average cost of each letter to be four cents, or forty dollars a thousand, a series of five letters would

have to produce more than 20 per cent orders to cover the bare selling expense. There is no use in expecting the miraculous. A single letter, or two letters at most, more cheaply prepared, would probably show more profit. Expensive paper, a well "matched-in" address, and other details of finish frequently produce a higher percentage of orders; but rarely at a lower cost per sale. If the margin of profit is small, the increased cost of securing orders may be enough to wipe it out entirely. In any case, the person who plans a system should count upon the average response, not upon extraordinary response.

The Nature of the Proposition

Although the factor of price and margin of profit is of importance in determining the kind of system and the number of letters in it, it should not be forgotten that some campaign systems of only a few letters are practically wasted. Some propositions cannot be sold by a few letters. If the nature of the proposition demands that a large amount of educational work be done, a fairly long campaign is usually necessary.

It does not take much time or effort to show the value of a fountain pen. If the prospects can be reached at all, they can be reached with one letter, or at most two. The case is different, however, with such articles as dictating machines and addressing machines. Considerable time and effort must be spent to show the reader his need for such articles and to convince him that they will be of benefit. With things of this sort few results appear until about the fifth letter. Ordinarily the percentage of

returns on the sixth or seventh letter is higher than on the first, second, or third.

If the proposition is novel or unusual, a long campaign will be needed, because the amount of explanatory and convincing material will necessarily be large. Prospects are generally skeptical of articles that are just being placed on the market and it takes an unusual amount of time and sales effort to bring about profitable returns. If, on the other hand, similar articles are familiar to the prospect, and your particular article has only one or two points of distinctive superiority, only a short campaign will be necessary. Thus, since a check protector is fairly familiar to most business men, it would require only a short campaign; whereas an electric refrigerating device for private homes would need a long campaign, because most persons are still unfamiliar with its merits.

These are only a few of the factors that must be considered before undertaking a campaign. After all, it is a question of the amount of educational work that must be done. If the market is all ready to receive your proposition, if the need has become general and manifest, then it would be wasteful to use a long series of letters to sell your article. If, on the other hand, the advantage of your article is not quickly apparent, it would be equally unwise to send one or two letters and let it go at that. Your prospects must be educated to the point where they will buy.

The Class of Prospects, and How Secured

Many of the details of the follow-up system are determined by the class of prospects. The appeal

to be employed and the tone to be used naturally depend upon the type of prospect to whom the system will be sent. Since these matters have already been discussed in a previous chapter, there is no need of taking them up again. But in addition, the class of prospects to whom the campaign is sent influences the length and nature of the campaign.

As a rule, the easier it is to obtain names of prospects, the more difficult it will be to sell those prospects, and hence the longer the series. Such classes as dealers and professional men have their names on so many published lists that such names are comparatively easy to secure. These men, accordingly, receive a great number of sales letters. It may be said, therefore, that any proposition presented to them will receive relatively less attention than a proposition presented to other classes—housewives, for example—whose names are more difficult to get because they are not readily obtainable from classified directories or the so-called mail-list houses (concerns that make a specialty of compiling and selling lists of names). For housewives, one or two letters may be sufficient to bring back all the returns that are possible; with the dealer, on the other hand, a longer series and one entirely different in character would be more productive of good results.

It also makes quite a difference how the list of names of prospects was secured. The man who replies to an advertisement, for example, is worth a longer series, and should receive a longer series of follow-up letters than a man who has shown no interest. If the inquirer has sent the few cents asked for in payment of a booklet or sample, he is

even more valuable as a prospect. Such an act on his part usually takes him out of the general class called "curiosity seekers." In passing, it might be noted that business concerns often request a small amount of money for a booklet or sample in order to be sure that they will not waste money on a follow-up series to persons who inquire merely to get something for nothing. There are exceptions to this general rule, of course, but in the main it holds good.

It is also worth noting that the nature of the advertising campaign that brought in the inquiries has some effect upon the nature of the follow-up systems. If it is the policy of the company to insert its advertisement in publications that produce inquiries at the smallest possible cost, such advertisements may produce a large proportion of comparatively worthless inquiries. If, on the other hand, the plan of the follow-up series is to include several expensive booklets, the business concern will find that it will be more to its advantage to use certain trade or class publications that, although they produce inquiries at a slightly higher price, will bring about a large proportion of buyers. Such inquiries naturally deserve a longer follow-up series.

It should be understood, of course, that if the inquiry is of an individual nature it will require a personally dictated reply. For example: A prospective customer, having seen your advertisement of a new type of carburetor for automobiles, writes to ask whether this carburetor can be used on a Maxwell car of the 1921 model. Such an inquiry should be

handled by a personal letter. In this connection see Chapter XIV.

Planning the Individual Mailing Pieces

Other details in the system to be considered are such matters as the character of the mailing pieces and the time between them.

To be sure, the character of the pieces (postage, paper, type of mailing piece, and so forth) depends largely upon the class of prospects, but it is also affected to some extent by other factors. To women, professional men, and most conservative persons who are not in business, letters are likely to be most useful for all the mailing pieces. To dealers and to the lower classes of persons large folders and mailing cards are often equally useful—sometimes more useful. In some instances, where under ordinary circumstances letters would be used for all mailing pieces, folders and mailing cards are employed to give variety to the series.

The class of postage to be used demands consideration. Although the difference between the use of two-cent stamps and the use of one-cent stamps is only ten dollars per thousand, yet it should be borne in mind that the cost of the stamps constitutes from one-third to one-half the cost of the entire mailing. (See itemized costs, page 352.) Some authorities insist that first-class postage is the only kind to be considered, but such a statement is too general to be of much value. The so-called "mail-order" classes are as successfully reached by mailing pieces sent under one-cent stamps as by mailing pieces under two-cent stamps—and the profit made

on the latter type of mailing is less because of the greater expense. On letters to professional men, to women of the wealthier class, and to those business men who are being solicited to buy the article for their own use, for example, two-cent stamps are usually more effective than one-cent stamps. In general, it may be said that first-class postage should be used with the classes that are hard to reach; but, after all, the only sure way of ascertaining whether a two-cent stamp or a one-cent stamp should be used is by means of an actual test similar to the tests described beginning on page 270.

In letters to the wealthier class who are inclined to judge a proposition partly by the kind of stationery used in the letters, it is commonly advisable to spend money on good paper and on the printing of the letterhead. If, moreover, the article is being sold on a quality basis, or is being presented by a high-class concern, it is important that the stationery used should be of the type that helps to impress the prospect favorably. Inexpensive stationery can be used successfully with the large mail-order class and in the selling of low-priced articles.

Time Element

The length of time between letters in a follow-up series is largely determined by the nature of the proposition, by the seasonableness of the offer, and by the sectional distribution. If the proposition is being sold on an appeal to the impulse (especially an appeal to the bargain instinct), a short time between letters is most effective. In a series of letters to sell a set of books at a low price, for example, one week

or even less may be allowed to elapse between letters. If, on the other hand, the proposition is one that demands that a large amount of convincing effort be put forth, a longer time should elapse between letters so as to give the prospect ample opportunity to think the matter over.

The nature of the prospect also has some influence on the time element. Letters to farmers may be farther apart than letters to business men, for the reason that the farmers do not usually come to a decision so quickly as do business men.

Again, the later letters in a series should be sent at longer intervals than the earlier letters because the prospect who acts upon the early letters is probably acting upon impulse; whereas the prospect who acts upon the later letters is acting upon reason and hence must be given more time to consider the matter.

The seasonableness of the article influences the time element. In selling canoes by mail, it is not wise to start the system until the prospect realizes that the canoeing season is approaching. But as the time interval between when the prospect would receive this series and when the season opens is so short, the mailings must be made in rapid-fire order, with only a short time between mailings.

The sectional distribution of the letters influences the time between mailings. In many cases, sufficient time must be allowed to elapse between letters to enable the prospect to reply. A follow-up letter should not cross a response. A series of letters from a business concern in New York City to persons who live beyond the Rocky Mountains should be

sent at longer intervals than a series to those who live, for example, in Connecticut. It is especially advisable that the letter offering some special inducement, such as a premium or lower price, should be so timed as not to cross a response. If it reaches a prospect after he has already sent his order on the old basis, it is likely to cause trouble.

In the wear-out series, the length of time between letters is usually short—about seven days or less.

In the continuous system, the period of time between letters is seldom definite or fixed except in such cases as when a regular monthly letter is sent on a specified date each month. It is much more important that the various letters in the continuous system be sent at a seasonable time; in other words, letters should be mailed out just before the time when a seasonable demand is expected for the articles or service. For example: A retail men's clothier will plan his continuous system so that a letter is sent just before the Easter season, when a demand is expected for spring clothing and light-weight spring overcoats; early in June, when the demand is arising for light-weight summer suits and sport apparel; just before the cool season begins in September, when a demand may be expected for heavier clothing; and again in October, when customers are starting to buy heavy winter overcoats.

A manufacturer will send letters to his dealers in time to permit them to stock certain seasonable articles that he manufactures, just as he sends out his salesmen at certain definite periods during the year to secure orders for the next season's business. A manufacturer of a well-known, popular-priced

watch sends letters to dealers that point out the advisability of stocking up in anticipation of the summer-vacation business, using the argument that when persons go away on their vacations they often do not like to take with them their expensive watches, especially if they are going camping. Another letter is sent in August in anticipation of the trade that will be given to the dealer by school children. Again, a letter is mailed late in November to anticipate the Christmas buying season for watches. In addition, letters are sent to dealers to link up closely with the advertising to be done in national publications and seeking to secure the co-operation of the dealer in having a complete line in stock with which to meet the expected demand.

This matter of timeliness or seasonableness is of essential importance in all forms of advertising campaigns and follow-up systems. For an extreme example to bring out the point clearly, a follow-up system employed to sell electric fans to dealers would undoubtedly prove to be a failure if sent in November, because dealers do not buy electric fans at that time; the same system if used in April or May might show a profit because this is the time at which the sales can be made. In other words, it takes much more sales effort to sell an article out of season than in season. There is no use in fighting time or tide. There is usually a time that is most opportune to present your proposition, and the success or failure of your system commonly depends to a large extent upon your ability to choose the proper time for sending your system.

Not only should you take into consideration the

timeliness for mailing out a series, but you should also give consideration to the fact that individual letters should be *received* on the most favorable days. In other words, letters should be so timed that they will not reach the prospect either on the day before or on the day after a holiday. If they arrive on the day before a holiday, many prospects will not give them the consideration that they otherwise would, because they are making plans for the holiday or are trying to "clean up" their desks (in the case of business men) before the holiday. If they arrive on the day following the holiday, they are received together with an extra day's mail, with the result that the prospects cannot give them much consideration. The same fact holds good with mail received on Mondays and Saturdays. Monday is a double-mail day, especially with business men. Saturday is a bad day because in many concerns it is a half holiday, and business men give little consideration to sales letters received on that morning. On the other hand, it is interesting to see here an application of the principle of adaptation to the reader, for, in the case of farmers, Saturday is not a bad day for them to receive sales letters. They will usually read them on their day of rest—Sunday.

It is usually advisable, also, to avoid the 1st and 15th of the month, as these are the days on which bills are most likely to come. When a prospect is faced with the necessity of paying bills, he often does not feel that he should buy anything more. As a general rule it may be said that the best attention will be secured for your letters if they are received by the city man on Tuesday; the country-

town man, from Tuesday to Friday; and the farmer, on Friday or Saturday.

Typical Systems

In order to make clearer the general suggestions made above, the following concrete illustrations of the different types of follow-up systems are given:

A single sales letter was used to sell a book on credits and collections to a list of the members of the National Association of Credit Men. The price of the book was three dollars. The letter was multigraphed on fairly good stationery (18-pound) and was sent first-class mail. The letter took up about three-quarters of the page. No inside address was used. The main sales effort was performed by a one-page circular printed on both sides, which was inclosed, together with an order blank. This circular showed a large-sized illustration of the book opened. Complete details of the contents were given. Approximately 15 per cent returns were secured. This high percentage was chiefly due, in all probability, to the fact that the list used was such a good one.

A well-known manufacturer supplies its sales agents with a wear-out series to be sent by them to dealers to sell a cabinet stocked with electric flashlight bulbs. The price of the cabinet with stock is $10.20. This series consists of three mailings, as follows:

Mailing 1. Multigraphed letter, return order card, and folder.
Mailing 2. Large, folded mailing card.
Mailing 3. Multigraphed letter and return order card.

Mailing 1 was sent under two-cent stamp; mailing 2 under one-cent stamp; mailing 3 under two-cent

stamp. The sales agents were asked merely to provide their own stationery, stamps, and the lists of prospects. The manufacturer did the multigraphing and filling-in of addresses, addressed the envelopes, imprinted the return card and folder with the sales agents' name and address, and mailed them. One week was allowed to elapse between mailings 1 and 2, and between mailings 2 and 3.

A manufacturer of a motor truck employs a campaign system to educate farmers in the use and benefits to be derived from the purchase of an automobile truck. This system aims to so interest the farmer that he will make use of one of the return cards that requests that a salesman be sent for a personal interview. This system consists of eight mailings. Each mailing consists of a two-page multigraphed letter, a booklet, and a return post card. The return cards used in the first seven mailings are designed to carry the request of the prospect for one of three large books on automobile trucks for farming. The post card in the last mailing is designed to carry his request that a personal salesman call. The system in all consists of twenty-seven distinct pieces of mailing material (exclusive of envelopes). It is sent to those farmers who operate farms of approximately one hundred and sixty acres or more. An interval of one week is allowed to elapse between mailings.

The publisher of a well-known class publication uses a continuous system to sell space in his magazine. The mailings of this system are made each month for the purpose of inducing the prospects to start advertising by taking space in the next issue. Some of the mailings are letters multigraphed on

expensive engraved stationery; other mailings consist of large mailing cards printed in two colors to give variety to the system. Each mailing piece attempts to point out the opportuneness of advertising in the next issue.

Checking Results

Unless you can rely upon information secured from a similar letter sent out on the identical proposition sometime in the past, it is usually advisable to make a test of your sales letter if its use involves any considerable expenditure. No matter how carefully you may have written your letter or planned your follow-up system there is no certain way of telling whether it will be profitable or not *except by a test*. To make the instance specific: Before sending out a mailing of 50,000 single sales letters it would be wise to make a test with 5,000 to ascertain how the letter "pulls." If the results show that these 5,000 did not bring in sufficient returns to show a profit, it is probable that a mailing of the remaining 45,000 letters will not show a profit. The result would be that a rather large loss would be incurred. No matter what you may think of the effectiveness of a letter and no matter what an expert or critic may say about the possibilities of the letter, the only certain way of making sure before you spend your money on a large mailing is to make a test. Anything else is guesswork.

The test of a single sales letter can be made in a comparatively simple manner. Let us assume that the letter is to be sent to a list of 25,000 names. After it has been prepared it is mailed to, say, 3,000 names chosen at random from the list. The per-

centage of returns resulting from this trial may usually be taken as an approximation of the result to be expected from the whole list.

On some large mailings that may number between 100,000 and 200,000 it is often advisable to prepare several letters and to make a test of each one on a list of approximately 5,000. The relative efficiency of the different letters can be determined from the number of returns secured, and then the best letter can be sent to the remainder of the list.

Similar tests can be made to ascertain the relative efficiency of first- and third-class postage. It is wise, however, not to compare too many factors at one time, for if this is done the difference in returns may be ascribed to the wrong cause.

Care should also be taken to see that the geographical distribution given to letters that are being compared is exactly the same. If one letter is mailed to prospects in Vermont, for example, and another one to prospects in Texas, the one which produced the greater results under such different conditions might not be the one that would be the most effective when used on the entire list throughout the country.

One of the simplest methods of determining the letter which produces the greatest amount of results is to use return envelopes or return cards of different colors. Letter A, for example, might use a return envelope made of brown stock, and Letter B a return envelope made of blue stock. If the brown envelopes returned numbered, say, 124, and the blue envelopes returned numbered 209, it might be fairly assumed that Letter B was more effective than Letter A.

Instead of using different colors for the return envelopes or return cards, the letter may be "keyed" in some way. This "key" is often an inconspicuous figure, letter, or mark, placed upon the return envelope or card. Often it is a part of the address, as Dept. M, Room 205, Desk B, or the like. The same "key" should also be placed upon the order blank (if one is used), so as to provide a double means of checking returns.

In testing the efficiency of sales letters the number of letters mailed in the test should be sufficient to provide a safe basis for comparison. One thousand is usually enough, unless the percentage of returns is likely to be very low, say, 1 or 2 per cent. If this is the case, 5,000 or more letters may be necessary. Generally, however, 10 per cent of a list is sufficient for a reliable test. In tests of large lists of, say, 100,000 names, it is seldom necessary to use more than 5,000 names chosen at random.

Itemized Costs

It is practically impossible to determine with any exactness the results of a test unless these results are compared with the cost. The following table shows the itemized cost of a mailing of 25,000 letters with a circular inclosed. It is to be understood, of course, that the prices given are not standard throughout the country. It is also well to remember that the price of printing, etc., varies with the quantity ordered, the quality of paper and printing, etc.

Itemized Costs of Twenty-five Thousand Letters and Inclosures:

Cost of 25M circulars, in two colors, size 10¼x14 in., including composition, presswork, electros, etc..	$ 225.00

Cost of folding 25M circulars, four operations, at $1 per M for each operation, or $4 per M	$100.00
Cost of 25M envelopes and imprinting	75.00
Cost of addressing 25M envelopes at $5 per M	125.00
Cost of 25M letterheads (with imprint)	95.00
Cost of composition on letter (25 lines)	2.70
Cost of multigraphing 25M one-page letters, at $2.40 per M	60.00
Cost of three-line "match-in" on 25M letters, at $5 per M	125.00
Cost of facsimile signature on 25M letters, by hand, at $2 per M	50.00
Cost of folding 25M letters, four operations (one pick-up and three folds) at 50c. per M for each operation, or $2.00 per M	50.00
Cost of inserting letter and circular into 25M envelopes, two pieces, at 50c. each, or $1 per M	25.00
Cost of sealing 25M envelopes, at $1 per M	25.00
Cost of stamping 25M envelopes, at 80c. per M	20.00
Cost of postage on 25M letters under two-cent stamp	500.00
Total	$1,477.70

In order that you may have exact knowledge of how much it is costing you to sell your proposition, it is necessary that such itemized cost records be prepared even though this work is done within your own concern. It is often cheaper to have the work done by an outside company that makes a specialty of it. Moreover, unless there is a special department in your concern for doing such work, the preparation of a large mailing often disrupts the office organization, since it takes many of the stenographers, typists, and other clerical workers from their regular duties.

The cost of the letter itemized above is about $59.10 per thousand. A test of 3,000 letters produced

314 orders at $3.50 each. The following table indicates how the net profit per order is determined:

Receipts	
314 orders at $3.50 each	$1,099.00
Expenditures	
Cost to mail 3,000 letters at $59.10 per M (No consideration is given to general overhead).	$177.30
Amount Expended in Filling Orders	
Cost of 314 books at 73c. each	$229.22
Average parcel-post charge on 314 shipments at 12c. each	37.68
Total amount for 314 orders	$366.90
Total net profit	$554.80
Net profit per order	$1.77

A similar computation will determine the total profit, and net profit per order, of each of the other letters in the test—if other letters are used. If the cost of the various test letters is approximately the same, the net profit will indicate the relative efficiency of the various test letters. But such is not the case if the costs of the various letters differ by a considerable margin. To illustrate: It is evident that a considerable saving might have been made in the cost of the letter by the use of cheaper paper and one-cent stamps, and the omission of the "matched-in" address and facsimile signature. The number of orders produced would probably be less. It is quite possible that this number would have been so small that the total net profit would have been less, even though the net profit per order might have been greater.

Suppose, for example, that the cost of the letter had been reduced to $40 per thousand, but that the 3,000 letters in the test produced only 230 orders. The total receipts would have then amounted to $805. Assuming the other items of the cost to be the same, the total expenditures would have been $315.50. The net profit per order would have been $2.13, but the total net profit from the 3,000 letters would have been only $489.50. This compares with $1.77 net profit per order, but a total net profit of $554.80 in the previous case. But it should be remembered that *it is the total net profit you are trying to make as high as possible.*

This discussion indicates the fact that when the costs of two test letters are different, the total profits for a given number of letters must be used as a basis of comparison instead of the net profit per order.

Tests of Follow-up Systems

It is not so simple a matter to make a test of a campaign series of letters. It can be done, however, by using two different campaigns simultaneously and by so keying the letters that the returns can be correctly credited to the system that produced them. Such a test will serve as a basis for determining the proper kind of campaign to use in the future.

In the case of the wear-out system two or more test systems may be sent simultaneously and the results from each of the various letters can be compared in turn—and then the total results from the entire test systems. In this way it is possible to detect not only which system is the best to use on the whole list or in the future, but it is also possible

to ascertain by comparison the weakness of any one letter in the systems. For example: In a test made of two wear-out systems on the same proposition sent at the same time, it was found that System No. 1 produced a larger net profit than System No. 2, but it was also found that the second letter of System No. 1 brought in fewer returns than the second letter of System No. 2. Accordingly, before the final mailing to the entire list was made, the second letter of System No. 1 was rewritten, with the result that from the larger mailing of this revised system the percentage of results was even better than that shown by the test. Another reason why it is necessary to keep accurate records of results of a wear-out system is that the system is usually continued so long as the latest letter pays for itself. The only way of determining when the list is "worn out" is to keep an accurate record of the pulling power of each letter.

It cannot be too strongly emphasized that, whatever kind of business you are in, you should keep a careful record of the results of each sales and follow-up letter you send out. It is only by a careful study of the effectiveness of the various letters you write that you can accurately build up your judgment as to the kind of sales letter or system that will be most likely to bring in the best results. After all, success in the writing of sales letters depends in large measure upon your experience in writing these letters. But unless you can analyze and study the results of previous letters, the experience in writing them will not be of much help to you. The final test of a letter is the results it secures. To

learn why and how sales letters bring in results you will have to make a study of past performances.

When the Follow-up System "Splits"

It should not be thought, however, that a follow-up system is automatic—that it can be allowed to operate to its final letter without personal attention. Just as the follow-up system used to collect money may be interrupted by a letter from a customer requesting that he be allowed more time because of illness, so likewise may a follow-up system of sales letters be interrupted by the prospect asking for information on a particular point of the proposition. When such unlooked for interruption occurs, the system is said to have "split," and the inquiries from the prospects are called "splits."

It must be obvious that if you are sending a campaign series of seven letters to sell, for example, a particular type of filing equipment to business men, the moment you receive a letter of inquiry from one of your prospects requesting that you give him the names and addresses of two business concerns in his neighborhood so that he can visit them and see how the filing equipment is operated, you would take his name off your regular list and follow it up in a different way. You would do this because his inquiry demands a personal answer and because, on account of the interest he has shown, you can afford to follow him up in a personal way. How such inquiries are handled is discussed in Chapter XIV.

In some cases, the "splits" are brought about by the readers' desire to have cleared up for them certain obscurities in the information given about

the proposition. This is another example of the value of the quality of clearness in writing, for the handling of these "splits" by personally dictated letters is rather expensive—in fact, the cost is so high (often twenty cents to forty cents per letter) that if the profit on the article is only two dollars, it hardly pays to answer such inquiries.

The moment a system begins to produce unexpected and undesired inquiries, it is a common practice in many concerns immediately to start making up form letters to handle the inquiries, in order that the cost may be kept down to a minimum.

"Splits" should not be confused with inquiries that are sought by the series of letters. In such an instance the inquiries are both expected and desired and plans have been already laid to provide for taking care of them.

Selecting the Mailing List

The success of a follow-up campaign often depends largely upon the careful selection of the mailing list. If you choose a list that has a large "waste circulation" (that is, if it is so general that it contains only a small percentage of possible buyers), your sales letter, no matter how well written, would not show a profit. The cost of sending letters to the nine-tenths of the list who cannot be interested in your proposition would more than eat up whatever profits you made on results secured from the one-tenth who are prospects. To state an extreme case, you would not send to every name in your city directory sales letters that attempt to sell automobile paint, for a large proportion of the per-

sons in such a list do not own automobiles. Your letter would have a far better chance to show a profit if it were sent to a list of owners of automobiles. It may be said, therefore, that another factor that must be considered in planning your letters is the selection of the proper mailing list.

Another reason for exercising great care in the selection of the mailing list is that the list helps to determine the appeals or talking-points to be used. The list should be compiled in some way that selects Smith, Jones, and Robinson and a few hundred or thousand others from the hundred million or so other persons in the country. It may be that the inclusion of their names in the list is determined by their vocation, their location, their social position, their education, their wealth (or lack of it), or the kind of purchases they have previously made. It may be several of these or any others of the thousands of points that differentiate humanity. There is some point at least that has marked these persons as belonging to a certain group—that has caused their names to be placed on the mailing list. Used intelligently, this point enables you to adapt your letter to them—it tells you which appeal to use.

The proper selection and compilation of your mailing list, then, are of vital importance (1) because they will help to cut down waste circulation and (2) because they will enable you to choose and use the appeal that will be most effective.

Sources and Value of Mailing Lists

Some mailing lists are not worth the paper or cards they are written on—in fact, they may be lia-

bilities, because of the chance they offer to spend money without an adequate return. Other lists are so valuable that they are locked in fireproof vaults and listed among the assets of the business.

To determine the value of a list, we should know at least these things about it:

1. What are its sources?
2. How was it obtained?
3. What did it cost?
4. How has it been used and with what results?

One of the easiest ways of compiling a mailing list is to select names and addresses from some kind of directory. Directories, of course, are of many types, ranging from the ordinary city directory that gives nothing but names and addresses and sometimes occupations, to the exclusive directories or *Blue Books*. Rating books like *Dun's* or *Bradstreet's* are financial directories from which may be chosen those prospects who have a certain desired financial rating. There are directories of corporations, directories of directors, and directories for almost every important trade and technical field. Then there are telephone directories that have the advantage of indicating a certain amount of ability to purchase; and in some cities there are classified telephone books which present in separate lists the names and addresses of the different groups of business and of the persons engaged in professional activities.[1]

Some of these lists are valuable because they include the majority of prospects for the article you

[1] A valuable book to consult in this connection is *A Directory of Mailing Lists, Obtainable in Book or Pamphlet Form,* by G. P. Putnam's Sons.

may be selling; but they also have the great disadvantage that they are easily accessible to competitors.

Complete lists may be purchased from other concerns, from addressing companies, list brokers (commonly called "mailing-list houses"), and magazines. The price for these names generally runs from a fraction of a cent apiece up to five cents apiece.

Personal investigators may be used to secure the names, although this is a rather expensive method. They are often able to secure names that are not procurable in other ways. For example: A tailor whose place of business is situated in an exclusive neighborhood may desire to send a letter to persons residing in that neighborhood, informing them of his cleaning and pressing service. One of the most feasible methods for securing these names is to send personal investigators around from house to house to copy the names from the door bells or to secure them by inquiry, or by other means.

One of the most expensive ways of building up a list is by advertising. The advertisement that is inserted for the purpose of securing names usually offers a free booklet, sample, or the like. Oftentimes, however, many of the names thus secured are names of "curiosity seekers." To cut down to a minimum the number of curiosity seekers, some advertisements request that a small amount be sent for the booklet or sample "to cover cost of mailing."

There are many other sources from which the mailing list may be compiled. The classification

given on the opposite page will be suggestive of those that are most commonly useful.

Keep the List Up to Date

Constant care should be exercised to keep the mailing list accurate and up to date. It often happens that many of the names on the list become "dead"—*i.e.*, the persons represented on the list have died, or moved away, or changed to some other occupation, or for some other reason are no longer possible buyers. These names are sometimes called "dead wood." To continue to send letters to such names when they no longer can be considered as prospects is obviously wasteful. If there is a comparatively large number of "dead" names on the list, it is practically impossible for the sales letter to show a profit.

In nearly all mailings of sales letters a number of these letters are returned by the post office marked with such notations as "Not in directory," "Deceased," and "Moved away—no address left." In such an event, the name of the prospect should be removed from the mailing list immediately.

Before sending a long and expensive system, say of eight letters and several expensive booklets, it is usually advisable to verify in some way the addresses of the prospects. A common method of checking addresses is to compare the addresses on your list with the addresses of the same persons that are given in other sources. For example: A list of architects that has been bought from a mailing-list house may be checked against the addresses given in the city directory or in the telephone book. Such verification

SOURCES OF MAILING LIST (SUGGESTIVE)

Directories	Ready-made Lists	Municipal Records, etc.	Press Clippings	Organizations	Advertising	Investigators
National	Trade and Vocational Lists (Purchased from addressing cos., etc.)	Tax Lists	Fires	Commercial Clubs	Inquiry-getting Advertisements	Dealers
Financial (Rating Books)		Licenses and Permits	Removals	Social Clubs		Agents
Trade	Lists of Purchasers and Prospects (By exchange with other companies or by purchase)	Building Permits	Real-estate Transactions	Labor Organizations	Complete Advertisements	Salesmen
Local City Directory		Marriage and Birth Records	Business Changes	Fraternal Organizations	Want Ads.	Customers
Telephone		Labor Reports	Incorporations	Lists of Stockholders Trustees, Committees		Delivery Men
Classified Telephone			Society Notes			Editors of Country Papers
Social (Blue Book)			Names of Advertisers			Justices of Peace
						Special Investigators

is very important in case the mailings to be sent consist largely of third-class mail matter which, unlike first-class matter, is seldom returned by the post office, with the result that not only is this material wasted, but also future material. Some users of sales letters have found it very efficient to send the first letter of the series by first-class mail. The post office will return first-class mail matter that cannot be delivered, with the result that the list can be checked and "dead" names removed. The same idea is used once or twice during the year in order that the mailing list may be kept "alive." The time and care spent on keeping the mailing list up to date are well spent.

Finding the Right Point of Contact in a List

The mailing list helps to determine the choice of talking-points and appeals that will most effectively come home to the names on the list. For example: The publishers of the *Automobile Blue Book* sent a sales letter to the members of the Yale Club and of the Harvard Club of New York City just prior to the football game between Yale and Harvard at New Haven, Connecticut. Such a specialized list enabled the company to use a point of contact and appeal that was most effective with the prospects. The letter follows:

DEAR SIR:

Are you going to motor to the Bowl at New Haven this Saturday?

A wonderful trip—but dusty, mighty dusty if you join the regular procession on the regular roads.

You can escape that gray cloud which blinds you, spoils your

clothes, fills your lungs, flavors your luncheon, and really imperils your safety.

You can make the run to New Haven by half a dozen excellent routes that are off the beaten track. You won't have to start at sunrise. You won't be held up. You will have your luncheon in peace and comfort either on the road, in New Haven, or at your college club. And you will be in your seats when the whistle blows for the kick-off!

It's the simplest thing in the world, if you will send immediately for the Metropolitan Blue Book. Just use the margin of this letter and mail it with your check for $2.50.

Later you will use its 50 afternoon drives, its 100 all-day trips, or its 35 week-end tours. But now—this week—let it take you to New Haven more comfortably, promptly, and economically than you ever went before.

Send in your check at once.

Yours very truly,

Every mailing list should be looked at in the same way. Why are these names on the list? In what respect are these persons alike? By answering these questions, the writer of the sales letter will be helped in properly adapting his sales letter to the reader.

Conclusion

In conclusion of this chapter, it should again be pointed out that the effectiveness of any system of follow-up depends upon a number of factors. The system chosen should be the proper one to perform the type of work desired. To use a wear-out system when a campaign system would be more suitable will only invite failure. It should be chosen only after due consideration to

1. The purpose to be accomplished.
2. The price of the article, and the margin of profit.

3. The nature of the proposition, particularly in reference to the amount of educational work that must be performed.
4. The class of prospects, and how secured.

After the system has been decided upon, it should be carefully planned and full regard taken of such details as the number of letters, the character of the pieces, the timeliness of the mailings, etc. Common sense, business foresight, and experience are needed to avoid mistakes in the planning of the system.

Tests should be made, costs should be itemized, and accurate records kept so that you can safeguard yourself against losses and can build up your experience and judgment.

And finally, special attention should be given to compiling the mailing list and keeping it up to date, so as to avoid the unnecessary expense of sending letters to those who are unlikely to buy.

PROBLEMS

1. Plan in detail a wear-out series of three letters to induce former subscribers to *System*, the magazine of business, published by the A. W. Shaw Co., of Chicago, Illinois, to renew their subscriptions. Assume that these subscribers are business men and that their subscriptions lapsed last month. In your last letter you may offer to give free, with the year's subscription, a cloth-bound book of 128 pages, entitled, *How to Increase Your Personal Efficiency*.
2. Assume that you are in the advertising department of *System*. Plan a continuous system of follow-up to be used in soliciting advertisements from manufacturers of office appliances.
3. Plan a continuous system to be used by a general hardware store to call to the attention of householders seasonable articles. For example: For the summer season, such articles as screens, porch swings, and rubber hose may be used.

4. Plan a continuous system to be used by a men's high-class retail clothing and furnishing store to induce regular customers to come to the store to buy seasonable articles.
5. Plan in detail a campaign system to be used to prepare the way for salesmen. The article to be sold is the Ediphone (dictating machine). The prospects are business men. The main purpose of the system is to educate the prospects in the efficiency and economy of this method of handling correspondence.
6. Plan in detail a follow-up system to be used to sell to merchants in your city advertising space in your college publication.
7. Plan a follow-up system for the purpose of selling to students subscriptions to your college magazine or to the annual publication.

CHAPTER XIII

Follow-up Sales Letters

Differences in Construction

In the preceding chapter it is shown that many propositions cannot be sold by means of a sales letter that is intended to be the sole means of making the sale, but it is commonly necessary to employ a series of sales letters linked in a series called a follow-up system. In view of the fact that individual letters of the various follow-up systems are constructed with a view to the part they are to perform in the whole series, it is necessary that a study should be made of the writing of the letters that compose the different follow-up systems.

It may be said, in general, that the follow-up letter is built according to the same principles that govern the construction of the single sales letter. Such differences as exist are due to the part the individual letter plays in the system as a whole. In the wear-out system, for example, these differences are slight, because each letter of a wear-out series is practically a single sales letter. The same is true of the letters of the continuous system. In the campaign system, however, these differences are greater, because in this system there is a distinct division of the sales effort; that is, the first letter

may have for its chief purpose the arousing of interest by a general presentation of the proposition, whereas later letters in the system may concentrate upon convincing the reader, and the last letter upon stimulating action.

Letters of the Wear-out System

Since each letter in the wear-out system is usually a single sales letter, each letter of this system makes a complete sales presentation—that is, it attempts to perform completely the four functions of selling (attracting attention, creating desire, convincing, and stimulating action). In fact, the wear-out system is seldom planned in advance as a definite system consisting of a specific number of letters. It is usually the result of sending a single sales letter which proved so successful that it was decided to send a second letter to those prospects who did not respond to the first letter. Oftentimes the second letter also shows such good returns that it is decided to send a third letter, and so on. This is commonly the evolution of the wear-out system.

In other cases, where it has been decided to use the wear-out type of system because of the fact that the prospects on the list are of such various classes that different appeals will need to be used, it is apparent that each succeeding letter should use a different appeal. For example: In selling a set of books similar to Doctor Eliot's Five-Foot Shelf, an appeal to the reader's pride to be well read may be used; in the second letter an appeal to his interest may be used by telling him about the interesting stories, incidents, and information contained in the set; in

the third letter an appeal may be made to his ambition, by telling him how the knowledge in these books will help him to succeed in life; and so forth.

Naturally, in selecting the different appeals to be used in the individual letters, a careful study must be made of the different classes of prospects in the general mailing list, so that the appeals that are chosen will in each case "get home" to the largest number on the list. In starting a wear-out system, accordingly, the appeal that is chosen to be used in the first letter is the one that is most likely to reach the greatest number of prospects.

It sometimes happens that one appeal is so much stronger than all the others that it is used in every letter of the series. It is simply reworded and presented from a different angle. The success of the letters after the first is due largely to the persistency of the sales efforts.

Although each letter in the wear-out series is to all intents and purposes a single sales letter, yet letters sent out after the first letter often begin with a reference to the preceding letter or letters.

In some instances, where special effort is taken to make the letter appear to be as personal as possible (such as with the use of "matched-in" inside address and pen-written signature), a beginning which refers to a previous letter aids in making the letter seem to be really a personal letter. It may also have the effect of bringing back immediately to the mind of the reader the points made by the first letter and thus enable him to continue his consideration of the matter at the point where he left off. On the other hand, it is true that such a beginning (a beginning

that refers to a preceding letter) is not the most effective attention-securing beginning that might be used. One of the methods described in Chapter VIII for beginning the sales letter may be much more effective in gaining the attention of the reader.

Examples showing the use of the reference to a preceding letter are given below:

DEAR SIR:

With reference to the letter I sent you last week concerning the profit you can make by handling Blank watches, there is one point that I may have failed to bring out.

DEAR SIR:

It is interesting to note in going over our daily mail how heartily readers prefer the new plan, outlined in our letter of October 16, of continuing the magazine without interruption.

DEAR SIR:

For the past three days I have been intending to let you know of some recent developments in the proposition I placed before you in my previous letters.

DEAR SIR:

As you have already been notified by the Review of Reviews, the price of the Photographic History of the War has been advanced.

If you do use at the beginning of your letters a reference to a preceding letter, you should be careful to avoid such negative beginnings as the following:

DEAR SIR:

Some time ago we sent you a letter regarding our improved Blank check protector, but as we received no reply we suppose the letter went astray.

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DEAR SIR:

We are surprised that we have not received your order for the Blank telephone bracket about which we wrote you several days ago.

DEAR SIR:

We cannot understand why you have not responded to our two previous letters. Surely they must have shown you how it is possible to make good money by handling our novelties. Then why do you delay?

The old excuse "possibly the letter went astray" is so hackneyed that it is practically useless, and it is obviously an attempt to place the blame for the failure of the reader to respond on the post-office officials and not on the letter, where it belongs. It is even worse to suggest that the reader's failure to reply to form letters was due to stupidity on his part or to discourtesy. It is always unwise to cast a slur upon him.

The beginning that makes the reader feel that the company has done him a favor by sending him the booklet he has asked for is also bad. Most prospects of the present day are enlightened enough to understand sales methods, and they know that their request for a certain booklet or more information involves no obligation of their part. The suggestion will only arouse hostility or resentment.

DEAR SIR:

In reply to your inquiry, we sent you a copy of our booklet, "Tractors for the Farm." You must have been interested in this matter or you would not have sent for this booklet which has cost us much money to prepare. Yet we have received no order or response from our many letters to you.

Far better is the beginning that makes a more positive impression—that compliments the reader on his wisdom in wishing to examine a proposition carefully before he accepts it.

DEAR SIR:

When we sent you our catalogue a week or so ago there was so much that was new and interesting, we hardly had room to tell it all in one letter, neither can we expect you to realize all the advantages of "Come Packt" sectional furniture on first thought.

Typical Letters of a Wear-out System

The following two letters were used in a wear-out system to sell to dealers a cabinet stocked with flashlight lamps. Inclosures were used in each letter.

DEAR SIR:

Twice as many Brite flashlight lamps were sold in 1920 as in 1919—a reliable indication of the immense increase in the use of flashlights.

As flashlight lamps frequently burn out, there is money to be made in supplying new lamps to renew old flashlights. We have made this profit easy to get by means of a small but complete assortment of Brite flashlight lamps to fill all flashlight and most battery hand-lantern requirements.

This stock of 100 National Quality Brite lamps will be sent you for $10.20. You can sell these lamps quickly and easily to your customers at retail for at least $17. This lamp stock comes to you packed in a handsome colored container that will aid your sales. On the cover of the container are illustrations of all regularly manufactured flashlights, numbered in such a way that you can supply the correct Brite lamp immediately for any flashlight just by having the flashlight pointed out to you in the illustration.

Enter this expanding business now—quick sales and no selling expense, 40% profit on every lamp sold, and a complete stock

for but $10.20 invested. In addition we will allow you a good price on all future flashlight orders when lamps are ordered in quantities of ten of one style.

Mail the inclosed card—it will bring you a stock of Brite lamps at once.

Yours very truly,

DEAR SIR:

Will you accept a six-dollar present from us? That is practically what is offered you with the new Brite flashlight lamp display cabinet and selected stock of lamps about which we have previously written you.

From this lamp assortment you can fill every call for flashlight lamps; and still there is no dead stock, as every lamp fits several styles and brands of flashlights.

The attractive and convenient container in which the lamps are packed makes it easy to supply customers instantly with the right lamps for their flashlight. This cabinet placed on your counter or in your window is a constant reminder to your trade that you can supply their flashlight lamp needs with Brite lamps.

If you order now we can give you the cabinet and selected stock of lamps for the low price of $10.20. The list value of the lamps alone is $17, and you can easily sell them at the list price.

Simply by having this stock of lamps in your store you can make $6.80 on it in a few months without spending a penny for advertising or selling or without giving up an inch of shelf room.

May we hear from you on the inclosed post card.

Yours very truly,

A study of the preceding letters will disclose the fact that the main talking-point of both letters is that of the profit possibilities in the handling of the flashlight lamps.

Letters of the Continuous System

The letters of the continuous system are often similar to the letters of the wear-out system—that is, they are often single sales letters. The only differences that exist are those that arise on account of

the difference in purpose, for a continuous system is often used to create good will and to keep accounts active. A study of the letters shown below will make clear the construction of the letters of the continuous system.

(*The following two letters comprise a part of the continuous system used by a magazine in soliciting advertisements from its regular customers and from its prospective customers.*)

DEAR SIR:

Imagine firing a 42-centimeter gun which is unequipped with recoil springs! The effect would be disastrous, to say the least.

Yet year after year merchants suffer from a business reaction which, while unavoidable, can be so directed as to be scarcely perceptible.

They spend thousands of dollars in lining up the public for Christmas buying. For a short two weeks the sales records stick at the top of the chart—then, Christmas over, fall with a slump.

And this because advertisers *do not* follow up the advantageous lead which their pre-Christmas advertising has gained for them; they let everything drop—and back away.

I know you are very busy making final Christmas plans and attending to the thousand and one things which the season of the year demands—that is why I've written briefly on a subject which I feel to be of paramount importance. But I earnestly urge that you be not too busy to give a moment's time to this—Put recoil springs on the big gun and minimize the Christmas reaction. Follow up your pre-Christmas advertising and space in the January 1 *Vogue*—a number replete with buying stimulus. Forms close November 25.

Yours sincerely,

DEAR SIR:

You remember last year's Easter parade on April 4—how chilled thousands breasted a blizzard while the wily "four-hundred" sat comfortably at home with their papers.

This year there'll be no such grim tragedy, for Easter comes fashionably late, April 23. It will be the turning-point of seasons—the drop-curtain between winter and summer.

Best of all it's going to be a Vogue Easter! For Vogue will be on the stands just fifteen days before this gala event, giving fashionable women an entire two weeks for buying their Easter finery.

100,000 wealthy women will cling to the Easter Vogue relentlessly till their wardrobes are complete to the last item.

Forms close for this big Easter number on March 10. Please let me know how much space to reserve for you.

Very truly yours,

P. S.—The crowds from the southern resorts strike New York the last of March and first part of April. They all stay over for shopping—and Vogue is their catalogue.

(*The letter shown below is one of a continuous series used to keep customers informed about new products sold by a jobber.*)

TRADE LETTER No. 102

Important notice to our customers!

Here is a new paper drinking cup for your vending machine that will give you a profit of $14.25 on an investment of $15.75.

Note the price:

$5.25 per thousand
packed three thousand to a case,
F. O. B. Jersey City, N. J.,
and 5% off for cash if paid in ten days.

This cup will fit any penny vending-machine. At the price quoted, it will not only show you nearly 100 per cent profit on your investment, but at the same time you will be giving your patrons a square deal. The cup is worth a cent: the bottom can't fall out and the cup can't leak. Read the inclosed circular that describes it.

We are ready to fill your orders now for as many cases as you may need for the next three or four months.

There already has been a big run on the new cup, for our trade is realizing that we are making a better cup at a much lower price than they have been able to secure before now.

Your initial order by return mail will receive prompt attention. Use the order card inclosed.

Yours very truly

Letters of the Campaign System

The campaign system of follow-up has been defined as a series designed as a whole to accomplish a definite purpose. The system progresses through the various stages of selling to a climax in the last letter which attempts to secure the action desired. Unlike the letters that compose the wear-out system or the continuous system, each letter of the campaign series does not attempt to perform the four functions of selling. Each letter, on the other hand, attempts to accomplish *only part* of the sales effort. The whole series should be treated as a unit. Each letter should fit in with the others, and be regarded only as a part of the series. Success depends upon the unified development of the system, not upon the strength of individual letters.

It is a common mistake to crowd into the first letter of the series all the good points about the proposition. If the majority of possible returns could be obtained with this first letter, such an arrangement of material would be good. But you are using a campaign system because you believe that your proposition cannot be sold by means of one letter, that it will need time and a number of letters before you can perform the necessary educative or convincing effort. Why waste your ammunition at a time when there is yet little chance of bringing down your prey? Moreover, the use of all this good material in the first letter is not only wasteful, but will

overwhelm the reader with the mass of information it contains.

In order that the letters of your campaign series may contain the proper material, it is essential that even before you attempt to write your letters you should plan a division of your material—your talking-points, appeals, arguments, etc. To do this you should first know the number of letters your system is to consist of. How this number is determined is discussed in the preceding chapter. Then write down in outline form *all* the talking-points, appeals, arguments, evidence, etc., that you are considering using. The next step is to plan how you will apportion or allocate this material in the various letters, bearing in mind all the time that the different functions of selling are performed in a certain definite order and that the major part of the space should be given over to material that convinces.

To make the situation concrete, let us assume that you have decided to use five letters. Then on a sheet of paper write down five headings, as "Letter No. 1," "Letter No. 2," etc. Since, as a rule, Letter No. 1 will consist of a general presentation of the whole proposition with no emphasis on any specific appeal or talking-point, write "General presentation" under the heading of "Letter No. 1." This letter is a sort of introduction to what is to follow and puts the reader in possession of a broad understanding of the proposition.

Again, since the last letter of the series usually sums up the main points of the preceding letters and attempts to stimulate action, write under the heading of "Letter No. 5" the expression "Summing up and stimulus." You now have three letters left to

which you must assign certain of the talking-points and other material you have already jotted down in outline form. As Letter No. 4 will be next to the end of the series, and as the function of convincing naturally comes near the end, you can now assign to Letter No. 4 the strongest of your evidential material. To Letter No. 2 and Letter No. 3 you can assign talking-points or appeals together with whatever evidential material should accompany them to prove the statements.

After this work has been done, you can read over your outline to ascertain whether the material is apportioned logically and where it will do the most good, and in such an order that it will promote the effectiveness of the entire system. Some changes may need to be made before you are satisfied that the material is properly arranged, without too much being in one letter and too little in another.

You should next develop in more detail, by the use of subheads, the material assigned to each letter. In other words, a more detailed outline should be made of the material in each letter. By doing this work at this stage you can further assure yourself that the material in each letter logically builds up the case from where the preceding letter left off. Moreover, your work of writing each letter will be made much easier. After this division of material has been made, you are now ready to write the letters in accordance with your outline.

The Beginning of a Campaign Letter

Notwithstanding the fact that Letter No. 4 described above is given over almost wholly to the per-

formance of the function of convincing, yet it is still necessary, as it is in the case of any other sales letter or follow-up letter, to get the letter read. The beginning, therefore, of any letter of the campaign follow-up series should attempt to attract the attention and secure the interest of the reader.

It is not necessary to repeat here how this is done. A discussion of the use of the "linking up" type of beginning is given on page 370 of this chapter; other means of attracting attention are treated in the chapter on sales letters (page 228). The point should be emphasized, however, that it is essential that the beginning of any letter of a follow-up series should attract attention.

The Body of a Campaign Letter

The body of a letter of the campaign series consists of the development of the material that was assigned to that letter in the outline. As each letter has its own particular part of the work to do, you should see to it that it does do its work. Each letter should concentrate upon the points assigned to it. From beginning to end, every idea and every word should be chosen with a view to its ability to help the letter accomplish the work assigned to it.

One letter of the series, for example, may be devoted to giving a description of the proposition that will arouse desire. This letter usually comes near the beginning; it is often the second letter of the series. A manufacturer of cash registers may show in detail how a cash register will save a retailer much work in keeping accounts, how it will reduce the risk of loss, and so forth. The manufacturer of

an electric-lighting and power unit for use on farms may describe in detail the convenience of having electric lights in the barn and in the house, of being able to draw water and saw wood by power, and so forth.

In view of the nature of the propositions for which the campaign type of follow-up is used, it is clear why the majority of the letters are devoted to the purpose of convincing the reader. The need for so much of this element is based upon the assumption that, whereas desire may be aroused almost instantaneously, conviction comes only with repetition and the operation of the time element. Most follow-up letters of the campaign type are to some degree educative. They appeal to the reason. They give logical arguments and back these up with evidence.

The Length and Tone of Campaign Letters.

Except for the first letter, the letters of the campaign series are commonly longer than the single sales letters that would be sent to the same class of prospects. This is so because of the following reasoning: If the first letter of the series has interested the prospect in the proposition, he will be willing to read, up to a reasonable limit, all the information you can give him. If, on the other hand, the first letter has failed in its purpose of interesting the prospect, it is not likely that he will read the other letters of the series—whether they are long or short. To make the statement more concrete: A single sales letter sent to business men should seldom be more than three-quarters of a page in length. A two-page letter is not likely to be read. Yet if these

same business men were interested in a proposition by the first letter of a campaign series, many of them would read a two-page letter about that proposition.

Another advantage, besides that of length, that the campaign letter has over the single sales letter lies in the tone. After the first letter of the campaign series a more familiar tone may be used in the succeeding letters. This is an advantage because it enables you to get closer to your prospect than you otherwise could if you were compelled, from fear of appearing presumptuous, to use a more restrained tone. After the prospect has received one or two letters of your campaign series, he considers that he knows you and will not think ill of a familiar tone.

The Ending of Campaign Letters

Although the last letter of the campaign series has for its chief purpose the stimulation to action, yet it should not be thought that no attempt is made in the other letters of the campaign system to secure returns. It frequently happens that some of your readers, after they have received, say, three of a campaign series of six, will have secured sufficient information for *their* needs, with the result that they are ready to buy. To postpone to the last letter the giving of any stimulus is to neglect an opportunity of securing a reply or an order from the prospective purchaser. Accordingly, in the early letters of a campaign system, each letter may end with a suggestive stimulus to take the action desired. This stimulus, however, is not a strong one and does not urge with much force that the prospect act, for it would be unwise to attempt to force the reader to

take action when he has not yet been fully educated in the value of the proposition.

The following endings are typical of those that are found in the early letters of the campaign series:

We will gladly tell you who uses Western Electric Power and Light near you and also give you a demonstration when you wish. Just say when.

Very truly yours,

Why not go to Blank & Dash, our local selling agency, and arrange for the installation of a new DeLaval Separator? You will find it a good investment.

Yours truly,

Drop us a line and we will gladly send a man to talk it over.

Very truly yours,

If you will note on the inclosed card in what feature you are particularly interested, we shall be glad to send you additional information.

Very truly yours,

For your convenience an order blank is inclosed.

Very truly yours,

From a reading of the examples given above, it will be noticed that various types of action are requested, depending upon the purpose of the campaign.

The Last Letter of the Campaign Series

The last letter of the campaign series makes a direct and urgent bid for the action desired—whether it be that a salesman call, or that money be sent for the article, or that the prospect show in some way that he is interested. In many particulars the last

letter of the series may be compared with the function of stimulating action that is performed by the single sales letter, for such is the main purpose of the last letter. Just as the effectiveness of a single sales letter is judged by the results secured, so likewise is the campaign system judged. Accordingly, since the results obtained from the campaign system so often depend upon the effectiveness of the stimulus given in the last letter, it is important that this letter be made as strong as possible. It is not necessary to repeat the discussion of the various ways by which stimulus is gained, because this matter was treated in detail in the chapter on sales letters.

The last letter of the campaign series, however, does not consist entirely of a stimulus to action. In fact, since it is the concluding letter of a series, it is mainly devoted to summing up the appeals and arguments used in the preceding letters. It may be compared with that part of a lawyer's presentation that is called, "the summing up." Seldom should new ideas be brought into this letter. It should concentrate upon a forceful summary of the material presented so far by the series—and then should attempt to bring about action.

Sometimes two or more "final" letters are used—like Patti's farewells. Each letter appears to be the last letter and to be giving the "last call." Often such letters come, ostensibly, from the higher officers of the business organization.

Typical Letters of a Campaign Series

A study of the letters that follow should give you a concrete idea of the construction of letters of the

campaign system. The letters given as examples are taken from a campaign system consisting of eight letters, used to prepare the way for the salesmen of a well-known motor truck company. These letters are sent to farmers who operate farms of approximately 160 acres or more.

(*Letter No. 1*)

MR. EDWARD FARMER,
R. F. D. No. 4,
FARMERVILLE, U. S. A.

DEAR SIR:

I have just been thinking about saving money—and that reminds me of Johnny's answer.

"How many ribs have you, Johnny?" his teacher asked him one day.

"I don't know, ma'am," giggled Johnny, squirming around on one foot. "I'm so awful ticklish I never could count 'em."

That's just the way with saving money—it's a mighty ticklish question. I remember that when I had the plans put before me for a brand new, up-to-the-minute motor truck factory, and found out what that factory was going to cost, it kind of flabbergasted me. I immediately held special services with the architects to see if I couldn't save money on such a big venture.

They showed me a dozen ways to save it. Use wooden windows instead of solid steel ones. Cut out some of the safety devices, sanitary arrangements, and drinking fountains; crowd the work and workmen closer together and don't build quite such big buildings, and so on. Besides, they showed me where cheaper materials could be had that might not be quite so durable, but would "look just as well," etc.

Well, I talked it over with my father-in-law, who is about the wisest business man I ever knew. And he told me to stand pat. "Why?—because your wide steel windows will mean lots of sunshine and fresh air to your men, as well as fireproofness; wooden windows won't. Safety devices will make swifter, safer, pleasanter work. Steel lockers and drinking fountains, the finest

of toilet and wash-room facilities, and lots of working space will all mean contented workmen, no strikes, no lawsuits, and *no poorly built trucks*. See?"

I did see and I stood pat. And every one of those things that I could have saved money on has paid such excellent dividends that I saved money by using them! In fact, our factory to-day is pretty well known in the trade—as well known as the line of trucks we build.

One visitor here called it "A Monument to Transportation," and the name seemed so pat that when we got out our book about the new plant we used that for our title.

If you're anything like me, you're proud when you've done a bang-up job or harvested a crop that is a "bumper." Well, it costs us money to sow the seeds of a successful business for Diamond T trucks, and most important expense right off the bat was of, course, for equipment.

But we think we've harvested a *real* truck factory, and I'll tell you why. During all the strikes and labor troubles generally that afflicted neighboring plants, we had men walking *in* our doors looking for jobs with us, instead of walking *out* of our doors looking for jobs elsewhere. And the last time the Hartford Insurance Company's inspector looked us over, he wrote afterward that "with regard to general welfare of employes and accident-prevention equipment, your plant is the best arranged of its kind that I have ever inspected."

I have mailed you a copy of the "A Monument to Transportation" book. Of course, it's about my business instead of yours, but who knows—maybe we have more in common than you'd think? Anyway, you'll be interested in seeing for yourself the things and places I could have saved money on—*and did*.

Cordially yours,

(*Letter No. 8*)

MR. EDWARD FARMER,
R. F. D. No. 4,
FARMERVILLE, U. S. A.

DEAR SIR:

In my dreams the other night I heard the proprietor of "Prosperity Farms" talking:

"Last year we had trouble with labor shortage. We lost money by not getting the right prices at the right time. Often, when we knew the market was favorable, we got there too late and found that prices had broken. If horses were needed in the fields, we couldn't put a wagon on the roads. We couldn't push our goods to market in an hour or two, but had to plan in advance and lay aside a whole day for the trip. We couldn't travel over any and all roads at 18 to 25 miles an hour; but had to plod along at four miles an hour, at greater expense and inconvenience.

"BUT THAT WAS LAST YEAR! This year we have been operating a Diamond T Farm Special; used a few horses only for *horse jobs;* made more money; accomplished more with less work; and *lived happier.*"

Of course, that was only a dream. But what farmer doesn't have *his* dream of Prosperity Farm?—with more time to do something beside act as chambermaid to horses, more personal comfort, more all-around convenience, more profits from better prices, and a reputation for progressiveness that gives him real leadership in the community?

Let's look square in the face of some of the reasons why this Diamond T Farm Special has as much license to be part of *your* dream of Prosperity Farm as it had mine.

First, there's "service." Who or what *guarantees* service? In this case, the local Diamond T dealer. Who or what guarantees the guarantor? The Diamond T institution. Right there is a great, big, impossible-to-overlook point! The dealer you do business with to-day—something may happen to him. Does that interfere with your satisfaction or with the service you receive? Not for a moment. We replace him with another, or serve you direct through a Factory Representative. Fifteen years of successful manufacture are behind that guaranty.

That means a lot, especially when you stop to consider that nine years ago only 18 of the present 225 or more truck manufacturers were in business—Diamond T and only 17 others. Yet Diamond T's history of security for the buyer goes six years beyond that date. Surely that is iron-clad protection against your becoming the victim of an "orphan truck."

But there's an even bigger reason than "service" for the close relationship between the Diamond T Farm Special and Pros-

perity Farm. We'll call it "Lowest Final Cost." Remember, the cost of a truck isn't just the price you *pay* for it—it's what the truck costs you *finally* that counts. That reminds me of a letter that recently came to my desk. It's from L. C. Frick, of Belleville, Ill., and speaking of the Farm Special, he says:

> "We have had it in constant use all this time, carrying nothing less than 4,000 pounds to the trip and making an average of 30 miles a day, without any repair costs to us whatsoever."

The plain, common-sense advantage of building the *best*, instead of just "good enough," is forever working in favor of this Diamond T owner. You can't beat it or dodge it—the longer a thing lasts, and the more work it does at low expense, the less it costs.

In that story, "The Tale of the Desert Susan," you got some idea of Farm Special *endurance*. It holds just as good right on your own farm as on a western desert. It is convincing to remember that when Uncle Sam's best engineers built super-trucks for fighting service in the Great War, they used features that progressive farmers find on their Diamond T's. There was the Hotchkiss Drive; the Worm Drive; and any number of other features that have long been standard with Diamond T. They weren't taking any chances when American lives were in the balance. They built the very best trucks they possibly could.

Now, I realize that this letter is growing longer than some you get, but I have felt that neither you nor any other good business man would want to decide on "sight unseen." So let me call your attention to three other points that mean everything to your pocketbook and peace of mind.

One is: The Farm Special does much to help solve the labor shortage question. Why? Because it does three or more times as much work as horses, at half, or less, the expense—and requires no more men to do it. And it does the work more conveniently and with less "getting ready" in advance.

Second: It is the only truck we know of built primarily FOR FARMERS. Other people can, and do use it—but it is a *farm truck first*, because we built it for that. We found out what a farm truck ought to *do*, what a farm truck *body* ought to be, the service and life a farmer ought to get for his money—and we built the truck accordingly; a truck that completed the 3,200

mile Development Tour last fall with one puncture as the only expense on its repair bill!

The third point comes to us from the second-hand market. One or two makes of motor trucks and of automobiles have higher resale values than others. I heard one man say, "It's because they've got the guts!" He was right, regardless of his English. And that's exactly the point here. It is a fact—you rarely find a Diamond T on the second-hand list. But when an owner does find it desirable to dispose of his truck its resale value is remarkably high. Its value *after* use indicates its value *before* and *during* use, doesn't it?

So summing the situation up briefly, look at the reasons we now have for proving that my dream of a Prosperity Farm—and yours—is vitally connected with the Diamond T Farm Special:

It is backed by a Pioneer Institution.
It delivers Unequaled Service.
It is manufactured Exclusively for the Farmer.
It is the Solution of the Farm Labor Problem.
It has Patented and Government-Endorsed Features.
It enjoys High Resale Value.
It Yields *Lowest Final Cost.*

You will, I am sure, be the gainer by having a demonstration of this truck—especially when you learn that I can arrange it *without any* obligation to you. To make it convenient, I have inclosed a postal card. All you need do is fill it out and drop it in the mail. We can't build nearly as many Farm Specials this year as our dealers are going to demand, but I can assure you that if you act promptly you can see and examine this truck on your own farm, where others will have to be "left out."

Sincerely yours,

PROBLEMS

Write one or more (as assigned) of the follow-up letters of the systems planned for the problems on page 366.

CHAPTER XIV

Inquiries and Replies

The Importance of Inquiry Correspondence

It is a surprising fact that many business houses that take great care with their sales letters and other sales efforts answer miscellaneous inquiries in a perfunctory manner. The inquiries they have invited in their advertisements or elsewhere they usually handle by a well-planned system of follow-up letters. But they rarely give the same careful attention to voluntary inquiries for which they have not definitely prepared. Their reply is often dilatory, or it consists only of a form letter that is poorly adapted to its purpose because it fails to give the information requested.

It may well be that the writer of a sales letter is disappointed when the follow-up "splits" and the response is a request for further information instead of an order with a check inclosed. It may well be that he profits from the experience by revising his sales letter so that the same questions will not arise again. In planning any sales campaign, as has been indicated earlier, one important object is to reduce further correspondence to a minimum and thus save unnecessary expense.

All this, however, does not in any way relieve the

house of the responsibility for properly handling all miscellaneous inquiries when they do arise. Every inquiry is of some value. It indicates an interested party and in some cases is the next thing to an order. Moreover, it should be recognized that an inquirer has certain rights that must be respected. The advertising or sales letter that prompted his inquiry is sufficient warrant for his expecting that any overtures on his part will receive prompt and courteous attention.

One man[1] who was considering the purchase of an automobile wrote a personal letter of inquiry to one hundred and nineteen different manufacturers. Ninety-seven of them replied, but only forty of these replied within five days. One replied over a month later. The average delay was more than a week. In more than 60 per cent of the cases the reply told the inquirer nothing that would help him decide which car to buy. Many of the letters were stilted, stereotyped, mechanical, and indifferent. Four were multigraphed form letters. Forty misspelled the customer's name, although it was clearly engraved on his letterhead. Other errors were too numerous to mention.

What happens in the case of an important and costly article like a motor car happens far more often in the case of less expensive articles. It should be mentioned in passing that the amount and value of the business which presumably may be secured from the inquirer should have small influence in determining the attention paid to him. All the informa-

[1] From "Thoughtless Letters Lose Business," by Troy M. Rodlun in *Automotive Industries*.

tion he requests, and as much more as seems fitting, should be given to him in a way that suggests interest in his problems and the earnest desire to help.

The Wrong and the Right Kind of Answer

To see just how this works out in practice, let us take a typical case. A manufacturer of motor supplies received the following inquiry:

GENTLEMEN:

A friend of mine recently showed me a most interesting and valuable motor guide which he said was published by your concern and suggested that I might be able to obtain a copy by writing you. If there is any expense involved, I shall be glad to pay it.

Yours very truly,

To this an overworked and possibly a not over-intelligent clerk dictated the following reply:

A Poor Answer

DEAR SIR:

Replying to your esteemed inquiry of July 7, I beg to advise that the National Road Guide published by our concern is now out of print and it is not contemplating publishing another edition, as some of the information is obsolete. We have published a series of separate road maps of the several states. You can obtain same by applying to our local agents.

Regretting that we cannot be of service to you, we remain.

Yours very truly,

This is a fair specimen of the letters that had usually been sent out by this house in reply to inquiries of this sort and other sorts. No particular question had ever been raised regarding them until the general business depression gave the sales manager an incentive to investigate every possible means of

extending business. When he discovered from the carbons the way in which inquiries were being handled, he immediately decided that some revision was in order. He suggested that answers to inquiries should be made human instead of mechanical and that they should give, if possible, a little more service than was actually required. To illustrate his point he dictated the following substitute reply:

A Better Answer

DEAR SIR:

We thank you for the good things you say about our National Road Guide. Apparently it has been of real service to motorists and has made friends for us everywhere.

The entire edition was exhausted over a year ago. Since then we have revised all the maps and brought them up to date. We have also made a further improvement by publishing them separately for the different states, so that the motorist can carry them in his pocket more conveniently and need not burden himself with those he does not use.

Inclosed we are sending you a map for your own state with our compliments. You can readily see how much superior it is to the old book form. If you want the maps of other states, we should be glad to send them to you or you can obtain them from Meyer Brothers, our agents in your town.

Allow us to thank you for this opportunity of serving you and express the hope that the service of all our products will always come up to your expectations.

Very truly yours,

The contrast between these two replies speaks for itself. The first is stilted, formal, and unnecessarily pretentious in language. The second is simple, but direct and personal, and not only gives service, but breathes the spirit of service. It shows itself regard-

ful of the needs of the customer and glad to be of service to him.

The Chief Types of Inquiries

Inquiries are of many kinds. A large proportion of them are requests for information or advice, and seem to have no direct bearing on the sales possibilities of the house. Such are credit inquiries, for example, which have already been discussed in a previous chapter. The policy in such cases is to give the information requested whenever possible, on the ground that the concern giving it may some day be the inquirer. The same policy should be used in answering inquiries of other sorts, even though there is only a remote possibility that the reader may be able to reciprocate.

The higher an individual or company progresses in its chosen field, the more likely it is to receive inquiries of this sort. Fortunately, the successful man is most likely to have the largeness of vision which prompts him to take time out of his busy day to answer the many inquiries he receives. Railway presidents have been known to return a cordial and complete reply to a college debater who wrote them for data. This fact, it should be said, does not excuse the college debater who unnecessarily trespasses on the time of a busy executive for information that he could just as well get elsewhere. Anyone who considers making such an inquiry should ask himself first of all, "Must I have this information?" and, second, "Can I obtain it from sources which will not involve the sacrifice of anyone's valuable time?"

A more important group of inquiries for our purposes include those which relate more or less directly to the products or service of our company. These inquiries may be requests for information about terms, prices, discounts, and deliveries, for names of dealers, or agents, for additional facts about the features of the goods themselves, and the like. Such inquiries when properly answered are stepping stones to orders. That they are not always so answered, however, is indicated by the comment of one sales manager that his correspondence file was a graveyard of lost opportunities. It is painfully true that failure to handle these inquiries not only loses the opportunity of securing an order, but frequently destroys good will.

In a business house that receives many inquiries, it would be profitable to take an experienced salesman off the road to handle them, provided one could be found who was able to put his salesmanship on paper. Certainly no company would think of turning over its advertising "leads" to the undeveloped clerk, and these are only a little less obviously sales possibilities than are the other inquiries. Any writer, however, can handle inquiries effectively if he observes a few general principles. The most important of these are as follows:

1. Be prompt.
2. Give all the information requested.
3. Seek out the real needs of the customer.
4. Adapt your style to the reader.

Most of these principles apply also to other types of letters. Promptness, for example, is always desirable, but nowhere else is it so necessary as in the case

of an interested person who has requested information. The time to make the reply most effective is when the impulse that prompted the inquiry is fresh. Every salesman knows that when a prospective customer has done something in the direction of purchasing, it is easy to get him to do something more—provided there is no delay. Delay is always the enemy of the sale and the writer who hopes to turn an inquiry into a sale should answer every inquiry the day it is received.

It is a common error to suppose that if the requested information is contained in a catalogue or booklet that has been put into the reader's hands or can be put there, it is unnecessary to answer his questions in the letter. Printed type has far less of the element of personal service than an individually typed letter. Moreover, there is a danger of offending the reader by telling him that he has the information in printed form if he will only take the trouble to read it. Even where reference is made to printed material, it should be done specifically. Sometimes a marked copy can be sent, or references can be made to the page numbers or section headings.

Best of all, however, is the practice of answering questions in the letter itself, provided this does not take too much space. Even though it is expressed in the same words as are used in the publication, the explanation in the letter will be more effective. There is no danger of making the letter too long for the reader, because his inquiry itself shows sufficient interest to make him read a fairly lengthy letter. The average business house makes replies to inquiries

shorter than its sales letters, whereas the opposite should be the practice.

An exception to this rule may be found in the case of a business man's inquiry where he asks a single question on which he wishes to satisfy himself. Here a brief answer with strict concentration on the point at issue frequently has a desirable effect.

It may take careful reading of an inquiry to determine just what are the customer's real needs. They do not always appear upon the surface. He may ask for information about a model or brand that has been discontinued. Obviously the manufacturer would not have discontinued it if he had not replaced it by something which gave better satisfaction. The writer who is astute enough to read between the lines the real needs of the consumer can frequently make suggestions regarding the models the company does manufacture which are most likely to meet his requirements. There should never be the suggestion of a mere substitution. Unpleasant associations are aroused by the statement, "We haven't what you want, but we have something just as good." The attitude should rather be that of offering something that will give all the service the reader expected, and, if possible, something more.

The following letter will illustrate this point:

DEAR SIR:

It always pleases us to learn directly from one of our old customers that our underwear has given him complete satisfaction. For that reason, we welcome your letter of September 14 and are glad to have the opportunity of serving you again.

When we produced our shoulder-buttoning union suit we felt it was a distinct advance over anything then made. It gave un-

usual protection to the chest and avoided the possibility of opening down the front.

There was, however, one disadvantage. The shoulder-buttoning was a little less convenient for most people. So we tried to improve the garment still further. All our garments are now made in the regular front-buttoning style, but they are so constructed that there is an absolutely tight closing.

Our double-breasted model has the additional advantage of providing extra thickness over the chest. We believe you would like this garment even better than you did the old shoulder-buttoning style.

If your regular dealer does not have our garments, he can secure them for you, or you can obtain them from any of the dealers on the inclosed list.

Very cordially yours,

The principle of adaptation to the reader is sometimes difficult to apply because of lack of knowledge. This, however, is rarely the case in answering inquiries. The inquiry itself is sufficient evidence of the inquirer's character and of the language he himself uses. The answer to such a letter should have close adaptation in style. If a customer entered a cigar store and called for "Pawl Mawl" cigarettes, the clerk would not correct him by saying "Pell Mells." Similarly, if the inquirer asks, "How much does the article cost?" the reply should not say, "The list price of the article is $25, but as this is subject to a discount of 5 per cent for cash, the net expenditure will be only $22.50."

Judgment is required to determine the amount of selling pressure to apply to the inquirer. When he has asked for more information about our products, it is safe to assume that he has thoughts of making a purchase. It is dangerous, however, to assume that the act of purchase will necessarily follow as soon as

he receives the desired information. It is equally dangerous to assume that he must be vigorously urged before he will take action. Just where to draw the line is a question that has a different answer for each individual case, and that can usually be answered only by a writer who thoroughly understands the character and mood of the reader.

It sometimes happens, of course, that the writer has a legitimate excuse for requesting a prompt reply. The supply may be limited. There may be probabilities of increases in price, or there may be other factors which make prompt action advisable. Then, too, it sometimes happens that the inquiry simply indicates timidity or hesitation on the part of the inquirer. The fact that the proposition offered would be to his benefit is ample justification for closing the answer to his inquiry with the sort of stimulus that will lead him to take action. Genuine service to the reader, however, should be the guide here as elsewhere, and it is unwise to destroy the good impression created by the service of giving information by devoting a large part of the letter to invitations, pleas, and commands to "purchase now."

System in Handling Inquiries

Many a sale is lost because the business house when it answers an inquiry considers the matter closed until the reader reopens it. All such inquiries should be followed up by additional letters within a reasonable time. In these follow-ups, more attempt can be made to close the sale. There is less danger of obscuring the service that was given

by supplying the requested information and there is more basis for urgency.

Such a follow-up letter must not take the attitude that the inquirer is under obligation because of the inquiry. Any normal human being is likely to be irritated when he receives a letter that begins in somewhat the following manner:

DEAR SIR:

We note to our surprise that we have received no answer to our letter of September 16 in which we gave you the information you requested about our marine engines. I feel this must be an oversight on your part because if there were anything further you wanted to know before coming to a decision, you surely would have written to us. . . .

It is true that this sort of letter frequently does provoke a reply. The inquirer may accept the obligation that is thrust upon him. In many cases he may even send an order. The percentage of favorable replies, however, is likely to be lower than would result from a courteously written letter, and those who do not reply are individuals whose good will has surely been lost. The follow-up, like the original answer, should show an attempt to render service.

The following case gives an interesting instance of the way in which the original inquiry was turned into an order. The first letter was the inquiry from an official of a Bridgeport manufacturing establishment to a manufacturer of steel lockers.

HARE & HALL,
NEW BRITAIN, CONN.

GENTLEMEN:

Have you any very strong sheet-steel boxes, such as would take the place of a safe, with a lot of room in it? I want to put

my surplus silverware in the cellar, where it would be safe, but I do not want to go to the expense of getting a big iron safe, which when everything is said and done has little or no room in it.

Very truly yours,
J. A. KING.

This inquiry was not allowed to lie around for a few days or answered by a stock form. Instead it received immediate attention and the following personal reply was dispatched:

THE HARE & HALL COMPANY
Steel Lockers
NEW BRITAIN, CONN.

MR. J. A. KING,
BRIDGEPORT, CONN.

DEAR SIR:

We inclose cut of our standard Stenographer's Cabinet, which we can furnish with combination lock for $13.50 each, erected and crated f. o. b. Bridgeport, in the size mentioned.

This is a very substantial cabinet, and the room is all on the inside. We can make it with two or three shelves, and feel quite sure that it will be satisfactory. Perhaps you will need something a little larger, in which case an 18x18x60 inch locker ought to answer the purpose. This will cost approximately $18 erected and crated f. o. b. Bridgeport, equipped with combination lock.

You know our lockers are very substantially built, and if one gets inside them, the chances are he will get inside anything except a heavy safe.

Very truly yours,

THE HARE & HALL COMPANY,
(Signed) D. L. BROWN.

The inquirer did not find it convenient to send in his order at once. His inquiry, however, had not been placed in a dead file in the office of the Hare & Hall Company, but had been put in a follow-up

file so that it came up again for attention a few weeks later. The following letter resulted:

THE HARE & HALL COMPANY
Steel Lockers
NEW BRITAIN, CONN.

MR. J. A. KING,
BRIDGEPORT, CONN.

DEAR SIR:

Is there anything further we can do for you in regard to our quotation of November 28, on a locker or Stenographer's Cabinet? It might be possible, if you so desire, for us to build a special heavy gauge cabinet for you, but we believe that you would find our Stenographer's Cabinet fitted with the so-called time combination lock quite satisfactory for the purposes you have in mind.

If there is any way in which we can serve you further, feel free to call on us.

Very truly yours,
THE HARE & HALL COMPANY.
A. B. HARE,
Secretary.

It will be noted that this follow-up letter showed no undue anxiety for an order, but it manifested an earnest desire on the part of the company to be of every possible service to the inquirer. Naturally he appreciated this attitude and responded immediately in the following manner:

THE HARE & HALL COMPANY,
NEW BRITAIN, CONN.

GENTLEMEN:

Attention of Mr. A. B. Hare

When the Red Cross and every similar organization has finished the operation of removing all my available capital, I hope to order from you one of your Stenographer's Cabinets.

Very truly yours,
J. A. KING.

It will be noted that this letter is not a definite order, but it suggests that the only obstacle to an order is financial inability. This was not considered serious in the case of a person in Mr. King's standing, as is indicated by the following letter which closed the correspondence.

THE HARE & HALL COMPANY
Steel Lockers
NEW BRITAIN, CONN.

MR. J. A. KING,
BRIDGEPORT, CONN.

DEAR SIR:

We thank you kindly for your letter of the 22d, and it is a pleasure to say that we expect to ship to you within a week one of our Stenographer's Cabinets, finished in olive green and fitted with a time combination lock.

It is a pleasure to do this so that you may be sure that no one more ill disposed than the Red Cross and the similar organizations you mentioned, will be depriving you of your valuables in a less agreeable manner.

Just pay for this whenever your bank account warrants.

We wish you a happy and successful New Year.

Yours very truly,
THE HARE & HALL COMPANY,
A. B. HARE,
Secretary.

That the procedure would not have been successful in all cases is unquestionable. In this case, however, the Hare & Hall Company correctly judged their man, and he felt not the slightest resentment at their attitude. Even if he had not been willing to accept the cabinet, the fact that it was not to be sent until some days after the letter gave him ample opportunity to cancel the order if he had been so inclined.

The tone in which the final letter was written had much to do with its success. The friendly semi-jocular tone was caught from Mr. King's attitude. An important factor in the success of any correspondence of this kind is the art of getting the spirit and mood of the reader.

Making the Inquiry Complete

Between the branches and departments of practically every large company there is a constant stream of inquiries and replies. Some of these are in the form of memos.; others require more formality. In such interdepartmental correspondence there is little need of striving for the emotional qualities that help in answering inquiries from strangers, though, of course, even within our own organization a certain amount of courtesy is necessary to secure the right kind of team-work. The main thing, however, is to get and to give the needed information efficiently and economically.

To a lesser extent this same principle applies to the inquiry correspondence between companies that have such close and constant relationships that they may be regarded from the correspondence standpoint almost as branches of the same business. The expressions of courtesy and good will that are necessary elsewhere are taken for granted here and practically the whole substance of the letter is composed of the facts.

The examination of several hundred typical interdepartmental inquiries and replies shows that the most common fault is the lack of conciseness. The letter says either too much or too little. The latter

fault is the more wasteful since, if the inquiry is incomplete, it doubles the number of letters required by necessitating a supplementary inquiry and reply.

The following examples are typical:

MR. J. B. BLANK,
STERLING SHOE COMPANY,
FALL RIVER, MASS.

DEAR SIR:

On November 3 we received by express, collect (charges $2.75), one case of stationery and supplies. Will you kindly let us know what disposition you wish made of this material.

Yours very truly,

JOHN DOE,
Branch Manager.

MR. JOHN DOE, Branch Manager,
STERLING SHOE COMPANY,
ALBANY, N. Y.

DEAR SIR:

Please send us a statement of the name and address of the shipper and the exact contents of the case of stationery and supplies referred to in your inquiry of November 4. We shall then be in a position to let you know what disposition to make of the material. At present we are unable to identify the shipment.

Yours very truly,

J. B. BLACK,
General Traffic Supt.

The delay and the extra expense involved in this case could have been avoided if the original inquiry of the Branch Manager had used the few extra words necessary to give a complete description of the shipment so that it could be identified. The attempt on his part to save time or effort simply made more work for everybody.

In all inquiries of this sort every necessary fact should be included. The practice of referring the reader to the correspondence files for information should be avoided wherever possible. The man who receives the inquiry is quite likely to start to dictate the reply and then find that he must refer to the files for more information. He says, "Miss Jones, look up this letter from Mr. So-and-so." Miss Jones presumably has other work to do and the inquiry must wait until she finds time to search in the files. Occasionally the desired material is missing from the files or is not to be found in the folder where it is supposed to be. In a fair percentage of cases the inquiry has to wait some time before being answered and may not be answered at all until the necessary facts can be learned from the inquirer. At best there is no saving of time involved in referring the reader to previous correspondence, because whatever is saved in the inquirer's office is offset by the loss in the other office.

If several points are to be covered in the inquiry, it is well to list them and number them. The army practice of numbering paragraphs is excellent in interdepartmental correspondence, though it is somewhat stiff and lacking in humanness and therefore not often suitable for outside correspondence to strangers. Numbering the questions, where practicable, simplifies the task of answering the inquiry and makes it less likely that some point will be overlooked.

Many inquiries might well be put in questionnaire form with blanks for the replies. If these replies can be in the form of "Yes" and "No," the task of

answering is still further simplified. Investigations which involve questioning a considerable group of people should ordinarily be handled in this way because there is not only greater certainty of response, but greater ease in compiling the information when it is secured. Best of all for the purpose of getting replies is the policy of inserting a post card which needs only to be checked. As a general rule, the easier it is to respond to an inquiry, the more likely the response will be.

Making the Inquiry Economical

The desire for completeness and simplicity in the inquiry should not be inconsistent with reasonable brevity. There is no excuse, especially in interdepartmental inquiries, for multiplying words. The necessary facts should be stated, but in as few words as possible. There is then less danger that the essential points may be overlooked and there is less waste of the time of both writer and reader.

The following will sufficiently illustrate the verbose inquiry that wastes words:

MR. J. B. SMITH, Traffic Manager,
ORANGE RESTAURANT COMPANY,
44 SOUTH STREET,
NEW YORK CITY.

DEAR SIR:

This is to advise you that our shipment of empty egg crates has been held up.

As you know, our storage space is at a premium and it is an important part of our practice to ship our empty egg crates each day. Our space is much congested now because of the failure of the express company to call for these crates as requested.

This condition is not a new one, as in the past we have frequently suffered from the same difficulty. For the reasons mentioned, we are anxious to have the shipments picked up daily according to the manner in which this matter is to be cared for according to the instructions we have. It seems that some action should be taken looking to the regular stopping of the expressman. Will you please inform me what action should be taken by us, if any, and what you can do in the matter.

Both on December 6 and December 7 the expressman failed to call for the crates.

Yours very truly,

This letter was evidently dictated without any plan. It is long-winded and tedious, and does not bring out the point at issue clearly in spite of its constant repetition. All that was necessary was a letter somewhat as follows:

Mr. J. B. Smith, Traffic Manager,
Orange Restaurant Company,
44 South Street,
New York City.

On December 6 and 7 the expressman failed to call for our shipments of returned egg crates. The same thing has happened several times previously in spite of our protests. The condition is especially annoying because of lack of storage space.

Will you kindly inform me what measures should be taken and with whom to communicate to prevent further delays of this nature.

Yours very truly,

In this chapter we have considered only the personally dictated inquiry and reply. In later chapters we shall consider some of the ways in which form letters and form paragraphs may be used economically in handling this sort of correspondence.

PROBLEMS

1. Assume that you are a correspondent in the Armorplate Tire Co., Indianapolis, Indiana. You receive the following post-card inquiry:

> Do you make a bicycle tire with your puncture-proof construction? I have to ride my wheel twelve miles over rough roads to school and I have a lot of tire trouble. If I could get your kind of tires with the metal plates inside the rubber I think I would like them. Please let me know as soon as possible. My wheels are 28 inches diameter.
>
> HARRY BEAN,
> Essex, Michigan.

The following facts may be helpful in answering this inquiry: (1) Your company does not manufacture bicycle tires of any sort; (2) the puncture-proof construction is not adapted to small single-tube tires; (3) an affiliated company, the Roughrider Rubber Co., Mishawaka, Indiana, makes a heavy durable bicycle tire.

2. Assume that you are in the employ of the Standard Paint Company, Baltimore, Maryland. You receive the following inquiry:

> GENTLEMEN:
>
> In connection with my garage business I expect to make a side line of painting automobiles. I noticed your advertisements for Reflector Enamel and think I might use it if the price is right. Please quote me on quantities of 25 lbs.
>
> Very truly yours,
> JAMES CURRY,
> Rushville, Tenn.

Your company sells Reflector Enamel only in 2-lb. cans, as the enamel is to be applied from the can and should not be exposed to air for any length of time before applying. A tin is enough for a car. You have the enamel in black and seventeen popular colors. If Mr. Curry will become a dealer and take an assortment of 50 cans, he can have a 40-per-cent discount, with 2 per cent extra for cash within 10 days. The enamel sells for $1 per can.

3. Assume that no answer is received from Mr. Curry within two weeks. Follow up the inquiry.

4. Assume that you are the Secretary of the Chamber of Commerce in your city. You receive from the American Tool Company, manufacturers of agricultural implements, a letter inquiring about the advantages of the city as a location for one of their factories. It is probable that the same letter has been sent to other cities. Write the answer.

5. Write a follow-up letter to be sent a month later if no response is received to the first letter.

6. As manager of your baseball team, write to the manager of the baseball team in some other college that is not on your schedule to inquire about the possibilities of arranging a game.

7. As manager of your baseball team, reply to the inquiry from another college. They have requested a date in May. You have no open date in May, but the last Saturday in April is open.

CHAPTER XV

Argumentative Letters

Argumentative Letters Are Not Combative

The word "argumentative" is somewhat of a misnomer when applied to letters and would not be used here if there were any convenient substitute. To most persons the word "argumentative" suggests a debate or a combative tone. A letter rarely presents one side of a debate and should almost never have a combative tone, because the reader, not an outside jury, is to be convinced. Even when the difference of view between writer and reader appears so wide that a settlement without legal action seems practically hopeless, the letter should be persuasive and conciliatory.

Argumentative letters, as the term is used here, include all messages (relatively few in number but extremely important) that are occasioned by questions of fact or differences of opinion on business matters. A customer questions the amount of a bill, or the justice of a claim; he objects to an article or service offered him because of what he considers defects. These and other disputes that are continually arising have to be settled one way or the other. The writer's aim is to settle them according to his views, but without breach of friendly relation-

ship with the reader. To accomplish this aim his letter has to be carefully planned and constructed.

The general principles involved are not dissimilar to those of a sales letter that concentrates on the task of convincing the reader. There are, however, certain differences. In the sales letter the assumption is that while the reader may be indifferent, he is not antagonistic. The argumentative letter presupposes that he is interested, but that there is some opposition on his part that must be overcome before he will take the action desired.

The Right Attitude in an Argumentative Letter

The reader's opposition is not always intelligent or fair-minded and often it appears less so than it really is. Our own bias tends to make us impatient of the other man's attitude. Nevertheless, it is a fatal mistake to allow impatience to show in our ideas or tone. The most vital requirement for success in an argument is to keep one's own temper and treat the reader as if he were fair-minded and reasonable.

There are always reasons for the other person's view, even though they may not be good ones. We must seek these out and understand them. Unless we can see his viewpoint, there is little likelihood of our being able to make him see ours.

The first task, therefore, is to analyze the situation. What is the essential difference between the two views? Is it a question of fact or of opinion? If of fact, what evidence proves that our view is right? If of opinion, by what logic does the other person reach a conclusion different from our own, and what is the logic of our own reasoning?

Before starting to dictate a letter we need to answer these questions and be sure that our answers are right. Time is wasted and differences often made wider because the parties to the dispute argue at cross purposes.

Along with the analysis of reasons there should be some analysis of emotions. Small disputes sometimes lead to interminable bickering, because both parties allow their personal feelings to dominate their judgment. They proceed to indict each other and accusation is followed by recrimination, aspersion by retort, until neither knows nor cares exactly what started the fracas, but both know that the other party has indulged in insults that cannot be forgiven. Observance of the same principles that are effective in adjustment letters will often prevent such an outcome.

The following letter illustrates the sort of argumentative letter that results when the writer is too much interested in his own wounded feelings:

THE HARTSHORN COMPANY,
BATTLE CREEK, MICH.

GENTLEMEN:

Attention of Mr. Bickerdyke

I am sorry that you declined to see our Mr. Strong and discuss with him the question of our advertising bill as a reasonable business man should. I am sure that he would have been able to convince you that your decision was hasty and ill-advised.

I should be as willing as you seem to be to allow the matter to drop without any further parley, but for one thing. You are within your rights when you insist upon withdrawing your advertising. You go a little too far when you accuse us of acting dishonorably. We repeat that there has been no attempt to deceive you. Neither Mr. Strong nor I would tell you a deliber-

ate, barefaced lie to secure your contract or a thousand such contracts. We have published the Tradesman a good many years and we have never found such practices necessary to get all the advertising we can conveniently handle.

Moreover it must occur to you how foolish it would be for us to attempt to deceive you in the matter of our rates. There are many companies in your state and city whose advertising is being carried at our old rates because of long-term contracts. Many of them have occupied space in our pages continuously for twenty years or more. To attempt to deceive you regarding this fact would be absurd, for it must ultimately result in discovery and loss of your business.

What we agreed to do—and have done—is to give you preferred position inside the back cover without extra charge, which gives you the same rate as that paid by the Orient Import Co. whose advertisement alternates with yours in this space. Their rate is based upon the old rate-card, but they pay an extra price for the preferred position. In other words, they are charged $216 per page per issue, and that is what you pay. There are many advertisers who pay that rate for the "run of the paper."

You insisted upon being given a special position or you would not do business. We therefore offered you this space without extra charge. If we made any mistake in this affair we did so in waiving our preferred position charge, for if we had not done so this dispute could not have arisen. However, there was no attempt to mislead or deceive you. Your memory is at fault if you think otherwise.

Consider for a moment. You surely could not expect us to give you this page at a lower rate than that paid by the Orient Company, which has been advertising in our pages for seven years. Yet you seem to make this the issue, claiming that this was the promise made. You must see how unjust any such arrangement would be.

Now we repeat that we have no desire to prolong this controversy. It is true you gave us an opportunity to settle it on a basis satisfactory to yourselves, but the method involved an admission of our guilt, an abject apology, and a restitution of what you term an "overcharge." As we did not feel in the least guilty we declined to meet you on that basis, as any self-respecting man would.

We feel that after you have had time to cool off and look at the question a little more calmly you will take a different view of it. In the meantime we can assure you that any suspicions of crooked dealing on our part are uncalled for and unjust.

Very truly yours,
E. J. Black.

It may be conceded that this letter shows the righteous indignation of an honest man. But indignation is not often an effective means of settling an argument. If the oft-repeated cry "you have wronged us" were omitted from the letter altogether and the entire effort were concentrated upon the presentation of the case, the chances of success would be far greater. There need be no loss of dignity in doing this; silence is always more dignified than words.

Arguments of Fact

Arguments of fact are comparatively easy to present. The chief requirement is to have the facts. Not everyone knows what a fact is. Even educated and experienced persons continually make the mistake of assuming that anything that is true is a fact. A fact is a truth in concrete form; it is definite, specific, verifiable. It is evidence that would be accepted in a court of law. Many a mature adult never learns the difference between a fact and an opinion until he sits in the witness chair. Then he may discover that when he says that a man was intoxicated he is expressing an opinion.

Experience in the witness chair might be a good thing for writers who think they are expressing facts when they say, "Our machine is very durable,"

"Our employees are careful," or, "Our deliveries are prompt." These are only opinions and from a biased source. They have no weight as evidence.

In an argument of fact, the important facts should be carefully selected and arranged. They should be stated in exact terms. Compare the following:

1. The package was $20 short.
2. The package contained only $480 instead of $500 as marked.
3. The package marked $500 was carefully counted by two of our experienced counters. Each reported twenty-three $20 bills and two $10 bills—a total of $480.

Is there any question that the third statement given above would be the most readily accepted in settling a dispute regarding an alleged shortage?

In some kinds of letters, such photographic accuracy of detail as that just cited might be tiresome, but in arguments of fact it is scarcely possible to be too explicit. If the facts can be accompanied by copies of documents or other first-hand information so much the better.

The following letter illustrates a satisfactory presentation of an argument of fact:

DEAR SIR:

I am glad of the opportunity to explain to you how the exchange charges mentioned in your letter of November 16 are arrived at. In order to be absolutely sure on this point, I have taken up the matter with our Transit Department. They report that in all cases they have given you the lowest rate permissible under the rules of the New York Clearing House.

For your information, I am inclosing a detailed statement showing just how these charges were arrived at, and you will note that they are all computed at the lowest rate permitted on the schedule which I inclose.

You will also note that the larger charges have been made on Canadian items, which are always collected at the lowest rate

obtainable on the date they are handled. The Canadian exchange situation has been very much against Canada this fall on account of the fact that large shipments of wheat which ordinarily come to this country about this time of the year were sent to Great Britain, so that the Canadians have not been able to adjust their exchange situation in this market to a satisfactory basis. We are hoping that this condition will improve in the near future.

I want to thank you, Mr. Jones, for the very frank way in which you have written me, and after you have carefully analyzed the inclosed statements if you find there is anything we can do that will not be a violation of the New York Clearing House rules, you may rest assured that we shall be glad to have your suggestions.

I note in your letter that you have been able to deposit checks with your local banks without paying any exchange charges, as they of course are not subject to New York Clearing House rules. I would therefore suggest that you ask your bookkeeper to deposit with us only the checks shown in the first grouping on the inclosed schedule, which we should be glad to accept at par; the remainder of your checks can be deposited with your local bankers, and you can draw checks from time to time on your local banks and deposit these checks with us.

You fully appreciate that we want to co-operate with you in every way possible and should be glad to hear further from you on this proposition.

Yours very truly,

Finding Points of Agreement

Most argumentative letters are occasioned by differences of opinion. If the facts are questioned at all, it is only incidentally. In such letters our purpose is to get the other party to accept our conclusions and adopt the course of action we propose.

An analysis of the situation will almost always disclose points upon which both sides are in substantial agreement. It is wise to refer to these points at the very outset. This suggests that the views of the

two parties are not altogether opposed and that they can be brought into complete harmony. The psychological effect of beginning with an agreement is also valuable and frequently disarms the reader's opposition.

If a prospective buyer, for example, has raised only one objection to our article, it may be assumed that he is satisfied with it in other particulars. We may therefore express our pleasure at his recognition of its other merits and briefly review the more distinctive of these merits. We may also agree that he is wise in wishing to be satisfied of its superiority in all respects.

Similarly, if some one questions the amount of our bill, we may agree that he is right in deferring payment until he is sure of its justice.

At the very worst there can be an agreement upon the principles that should determine the settlement of the dispute. Both parties presumably want a settlement that is fair and just. Usually we can find other points of agreement more specific than this.

In arguments of opinion where the facts have not been questioned, it is often helpful to begin with a clear-cut summary of these facts. There is then less likelihood that they will be questioned in the future. Moreover, this exposition will often lessen the amount of argument required. Lincoln is reported to have been a master of this method of presentation. At the conclusion of one of his expositions and before he had begun his real argument, the judge remarked: "Well, if that is the case, Mr. Lincoln, let us hear what the other side has to say."

After agreeing with the reader upon all possible

points, we are still faced with certain critical points of difference. We must know exactly what they are. Often the question raised by the reader is only a cover for some objection that he does not care to mention.

"I can't afford it" is frequently a convenient excuse for lack of desire for our article and greater desire for something else. Obviously, there is no way of proving that he can afford it, but it is often possible to prove that it would save more than it costs and hence that he cannot afford *not* to have it.

Minimizing the Objection

Objections may occasionally be handled by minimizing them. This does not mean ignoring them or passing them over as trifling. The reader is likely to be offended or become suspicious when we say, "Surely you are not going to let a few dollars' difference in price stand in the way of your getting just the kind of car you will be proud to drive." The way to minimize an objection is to show that the advantages outweigh the disadvantages.

The following examples illustrate the wrong and the right way of minimizing an objection:

Bad

Of course the margin of profit is slightly less than on unadvertised brands, but only a short-sighted merchant figures his profits on the unit sale. The way to figure profits is by the month or year; and on this basis you will find that our advertised goods sell easily and turn over rapidly, so that you really make more money from them than you do from a cheaper unknown substitute. Moreover, consider the prestige your store derives and the fact that any clerk, however lacking in intelligence, can sell our line because it requires no salesmanship.

Better

The margin of profit on a sale is slightly less than on unadvertised brands. Dealers who have stocked both kinds, however, report that the total profit by the month or year is far greater for the following reasons:

1. Sales are easier to make and require less of the clerk's time.
2. The number of sales is greater.
3. The turnover is more rapid; hence less money is tied up in stock.
4. Customers have more confidence in the merchant when they have confidence in the goods he handles.
5. No money is lost on returned articles, because we stand back of every sale.

Answering Objections

Where the opposing case has been presented completely, the reply requires discretion. Obviously there must be some fallacy in his argument; otherwise our own conclusions would be identical. It is a temptation to point out these fallacies, but it is rarely possible to yield to this temptation without losing good will. Usually it is better to devote our own efforts toward establishing a correct line of reasoning and to allow the reader to find the flaws in his own.

The following examples illustrate:

Bad

Your argument that the unsold portion of your April order should be billed to you at our revised quotations is unreasonable and contrary to good business policy. The fact that some time ago we billed you at a lower price than quoted is not analogous, for in that case the cut in price was made before the goods were delivered. In the present instance you have had the goods for more than a month and have sold part of them. To bill you for the unsold portion at our present quotations would be as ridiculous as to ask you to pay higher prices on unsold goods at the time that our rates were raised.

Better

As you know from past experience, it is our constant attempt to give all dealers the same price and thus put them on a level for fair competition. That is why your order of three months ago was billed at a lower price than we quoted, because the price revision was made before the goods were delivered. We felt it was only fair that they should go on your shelves at the same cost other dealers paid and the cost you would have paid if you had held off your order.

In the present instance, you have had the goods in stock for more than a month and have sold part of them. You are in just the same position as practically every dealer, wholesaler, and manufacturer in the country. All of us have goods in stock that we purchased at prices above their present replacement cost. The only solution for any of us is to sell them as rapidly as possible —making whatever price reductions are necessary—and then replace them at the lower level now prevailing.

Building up our own case is always more important than undermining our opponent's position. It should always have the largest proportion of space. There is little sales value in a "No" or any other kind of negative. Good salesmen have discontinued attacks on competitors and warning against substitutes except when these are actually required. Even then they do not emphasize them. In argumentative letters, likewise, the chief stress should be laid on the positive, constructive arguments.

The inductive order of presentation should generally be used. It is more convincing and it runs less risk of arousing opposition by stating a conclusion the reader is unprepared for.

Objections can be answered in a positive, constructive way, as well as by mere denials and negatives. The following letter of objection and its reply illustrate this point:

General Real Estate Company,
55 Liberty Street,
New York, N. Y.

Gentlemen:

Your description of the real estate bonds offered to subscribers on the installment plan does not touch on points that I should have to consider if I decided to buy.

Listed bonds are readily convertible. Financial men call them liquid assets because they can be turned into cash within a day. Where could I sell my real estate bonds if I owned any, how long would it take, and what would I realize?

I have in mind the purchase of a home later on. This requires ready money. What assurance have I that I could realize on such bonds as you sell in order that I might use the proceeds for the purpose mentioned?

These are, or would be, essential points for me to know before I could see my way clear to signing one of your subscription blanks.

Very truly yours,
A. H. Jones.

Dear Mr. Jones:

I am glad that you brought up the question contained in your recent letter. We want you to submit us to a most searching investigation before you decide to purchase our bonds. In fact, it is our boast that our clientele is composed almost entirely of conservative, far-sighted men.

Frankly, the listed bond does possess to a high degree the quality of convertibility. This quality, however, is offset by their low yield and lack of stability in value. For instance, ten representative, high-grade railroad bonds which sold at an average high price of 108.28 in 1904, sold in 1914 at an average low price of 91.66—an average decline of 16.62 in ten years. Even British Consols have not sold higher than a hundred since 1900, and sold as low as 71.6 in 1913.

Compare these investments for stability and yield with our bonds, which have never failed to pay 6%, and which mature at par.

Then, too, they are convertible, especially when real estate purchases are contemplated. We, ourselves, will exchange them at any time for a deed to real estate for sale by our company on its regular selling conditions. Since we do this, real estate companies throughout your section are willing to accept them on substantially the same terms or accept them as collateral in connection with the purchase of real estate.

As a matter of fact, the yield on these bonds is so high that you will probably not wish to dispose of them or transfer them, but will prefer to use them as collateral in effecting a loan, for which purpose they possess high value.

If force of circumstances should compel you to dispose of your bonds, we, ourselves, will buy them back at any time at a price which equals all you have paid in installments and from 3 to 5 per cent interest on payments made up to the time of redemption, depending upon the length of time the bond still lacks of maturity. So you can readily see that under the worst possible circumstances you would receive as much as you would from a savings bank. In the meantime, you have the opportunity of far greater returns than any savings bank can give. The inclosed booklet will give you further details of the redemption value at different periods.

You are right in anticipating all these contingencies. We presume, however, that you will find it possible to make your payments regularly, or, if you buy a coupon bond outright, to hold it to maturity. If circumstances demand that you convert your holdings into cash, you see you are amply protected. That is why many conservative men in your locality have decided upon our bonds as the safest, most stable security on the market, with sufficient convertibility to meet any possible requirement. We are confident that you will reach the same decision and shall await the pleasure of hearing from you.

Very cordially yours,

Making the Letter Persuasive

As has already been suggested, an argumentative letter is not trying to prove a case merely; it is also trying to convince a man. To do this it should not content itself with the ideal of justice in the abstract

or merely try to maintain our rights. It should also show the advantage the reader will derive if he will take the action suggested. Whatever solution is best is necessarily for the benefit of all parties concerned, but this benefit cannot safely be taken for granted. It should be pointed out so that the reader will see why it is the best solution for him.

The attempt to show how the action suggested will benefit the reader naturally leads to the adoption of a persuasive tone because it puts the service ideal foremost. Frequently the result can be furthered by the use of suggestion. Most men value an idea more highly when they have conceived it themselves than they do when it has been thrust upon them. "This is true" may by its bluntness provoke denial. "Isn't this true?" and, "How does this strike you?" imply that the reader is to judge.

The following comparisons are simply illustrations of the difference between a combative and a persuasive tone:

Combative	*Persuasive*
A 16-year-old boy could take it apart and put it together in six minutes. That is proof positive of its simplicity of construction.	A 16-year-old boy can take it apart and put it together in six minutes. Could anything have greater simplicity of construction?
Our delivery man called three times. We also tried the telephone before resorting to the mail. Surely you will admit that we made a reasonable attempt to effect delivery.	Our delivery man called three times. We also tried the telephone before resorting to the mails. Could we have done more than this to effect delivery?

At the conclusion of the argumentative letter it is frequently better to refrain from direct commands

to take the action desired, especially if this form of stimulus has previously been used. A man who relies on his own judgment will have a better impression of us if we seem to leave the decision to him. Sometimes it is even advisable to disclaim any attempt at urging his action.

A good example of this method is to be found in the following concluding paragraphs of an argumentative letter:

We do not want you to think that we are urging you to take this agency. In justice to ourselves and to you, however, we feel that we should be doing less than our plain duty if we failed to set forth every fact that would aid you in reaching your decision.

If there are still any points about which you are in doubt, please do not hesitate to write us again so we may explain everything fully. If, on the other hand, you have all the facts you need to reach a decision, we would suggest that you decide as early as possible, as we have received other interested inquiries and the opportunity of securing exclusive rights may not be open to you much longer.

Yours very truly,

The direct command is not necessarily combative or offensive. It can be made extremely persuasive. It has the great advantage of being the most dynamic form of suggestion. The command "Buy It," however, is not persuasive, for it indicates action that is of obvious benefit to the seller, but not to the buyer. The command should be to do something that is of service to the buyer.

We find this form of persuasive command used effectively in advertising to women by giving a recipe or directions for using the article. There is a vast difference between saying, "Buy this soap powder," and saying, "Put two tablespoonfuls of

this soap powder in a bowl of warm water and whisk into a thick suds."

In the argumentative letter, likewise, a persuasive close can be put in the dynamic form of direct commands, provided the direct commands follow the lines of the reader's inclination and yield a result that is to his benefit. The following example illustrates:

Do not take our word for it or the commendation of other users. Just have your own repair man put it on your car. Listen to the quiet hum of the engine. Notice how it floats up the hills. Best of all, watch the mileage. After ten days go back to the repair man and have him remove the attachment—or if you decide that it will save its cost many times a year, just pay him the modest price of $7.50 and know what real motor satisfaction means.

In this chapter it is possible only to give the general guiding principles for writing an argumentative letter. The situations that may arise are infinitely varied. Each one requires careful analysis and planning. Each one requires also adaptation of style to the reader's character and mood.

The following letter is a fine example of a strong argument presented in a persuasive tone. To appreciate its good qualities, and especially its adaptation to the reader's mood, one should note the date, and recall the conditions that prevailed during the first year of the World War.

April 5, 1915.

Mr. J. C. Ricknor,
The Eureka Lathe Company,
Toledo, Ohio.

Dear Sir:

We appreciate your writing us so frankly your reasons for desiring to cancel your advertising in The Tradesman. Although your

four-year contract still has over a year to run, we shall of course accept your cancellation without question—though regretfully —if after consideration you believe that you will really be effecting an economy in this manner.

The past six months have indeed been trying for all of us. I am not surprised that the inquiries resulting from your advertising are much less numerous than in any preceding period. This, however, is mainly a result of general conditions and not due to any lessened pulling power in the publication. Probably the fact that you are now better known also has its influence.

It is well known and needs no demonstration that buying for the last six months has been extremely dull and buying of extensive equipment has not been taking place. I feel justified, however, in expressing a firm conviction that the next six months is going to prove a very important period in the promotion work of any company which has industrial equipment to sell.

No one who has studied the business situation of this country can doubt for a minute that we are on the upward slope of business. An examination of any of the fundamental statistics indicates this, and the steady, if not large, increase in business in the steel and iron industry as evidenced by the news and market information published from week to week.

You therefore undoubtedly have before you a period of business where there is a substantial basis for hope of steady increase, and I think you will agree that such a period is the time to put out the best promotion work possible with a view to interesting those new customers who are coming into the market. On the other hand, what sort of impression will you create with the buying public if after having gone through the strenuous times we have had the last six months with flying colors, you take in sails just when the harbor is in sight?

As you know, your letter is the first intimation I have had that your advertising was not in every way satisfactory; consequently I have not given special thought to the copy you have been using. As I look over your recent advertisements, it occurs to me that your copy has not in any way been changed to meet the new conditions. It seems to me that one of the strongest arguments which you and your salesmen are no doubt advancing at the present time is not being used at all in your trade-paper advertising.

This argument is that manufacturers can put in new equipment at the present time at less cost and under more favorable terms and conditions than they have done in the past or will in the future when business picks up. This idea can be elaborated upon and made very prominent, and undoubtedly would have a very telling effect. There are many other arguments, which to my mind should be incorporated in your advertising at the present time because of unusual conditions, that you are overlooking. It seems to me that there is every reason to expect profitable results if you make your advertising fit the present conditions.

Apparently you are in danger of making the same serious mistake that many successful advertisers have made in the past. They have built up their business through advertising, the early years of which showed them tremendous direct returns. As their product became better known, and as they came to be referred to by their friends, the number of inquiries directly traceable to advertising naturally decreased.

Then they forgot that the same force which had *built* their business was steadily at work to *maintain* its prestige, and accordingly cut out their advertising because they "were so well known and could see no direct returns." In most cases the effect of this business error, though not discernible at first, gradually made itself felt in substantial losses, first of prestige, and afterward of actual business.

Advertising, especially the good display and dominating space you have used in The Tradesman, has done much to put your firm in the forefront of lathe manufacturers. Do you think it is real economy now to let go of this business force that has pulled you so far up the ladder of success?

How do you expect to invest the few dollars you will save over a few months' period so as to be sure of bringing back the prestige that you are bound to lose? It seems to me that you are sure to come back to advertising, and advertising to regain prestige is more difficult and costly than advertising to maintain the prestige you have now.

Very truly yours,
A. H. Morton.

PROBLEMS

1. Assume that you are advertising manager of your college newspaper. You have received the following letter from the Halcyon Tobacco Co.

> GENTLEMEN:
>
> Will you kindly cancel our advertising contract for space in your publication, this cancellation to take effect immediately.
>
> Business conditions have necessitated some curtailment in our advertising appropriation and, much to our regret, we have decided to eliminate most of the college publications from our list.
>
> We feel that our advertising in newspapers and general magazines reaches practically all college men, and have continued using the college publication only because of our desire to support these worthy activities.
>
> When our appropriation permits we shall be glad to consider you again.
>
> Very truly yours,
>
> A. S. YORK,
> Advertising Manager.

Answer the letter.

2. Assume that you are a correspondent in the Sachem Chemical Co., drug manufacturers and jobbers. You sell drug specialties to dealers packaged under the dealer's name. You receive a letter from Paul T. Crow, Sioux City, Iowa, in which he asks you to cancel his order for two gross cough drops, one gross liquid soap, and one gross hair tonic. The order had been given to your salesman the previous day and has not reached your office.

Mr. Crow gives as a reason the statement that there is not enough profit in handling the line. He says:

> "Of course the goods are equal to any nationally advertized line, but they are not so easy to sell. I still have 80 bottles out of the gross of cough syrup I bought four months ago. The profit of 50% looks large, but some of the advertised competitors have come down in price and it looks as if I would have to cut the price on the

cough syrup to sell it at all. Meantime I still have about $20 tied up in stock. I'm afraid it will be the same with the other articles. I know I get some good advertising through having my name on the articles, but it costs too much. I can make more money by selling nationally known articles."

In answering this letter you can point out the fact that every sale of an article bearing Mr. Crow's label helps to sell other articles with the same label. Point out also the liberal margin of profit.

3. Assume that you are trying to sell your house (or some other piece of real estate with which you are familiar). A prospective buyer has objected that the price is too high and offers five hundred dollars less than you are asking. Answer his letter, but stick to your price.

4. Assume that a manufacturer who considers locating in your city (See Chapter XIV, problem 3) has written that he likes the location except for the transportation facilities. He feels that he would be at a disadvantage as compared with manufacturers in St. Louis, because of the fact that they are nearer the center of the agricultural region. Answer him.

5. The manager of a college baseball team against which you played last year writes that he is willing to give you a return game this year provided it is held on their field. He claims that he can provide a larger crowd and that the faculty of his institution is opposed to allowing his team to take so many out-of-town trips. Last year it was understood that the return game was to be played on your field. Try to hold him to this agreement.

CHAPTER XVI

Correspondence Supervision

The Place of the Correspondence Supervisor

Many of the large manufacturing concerns and progressive mercantile houses now have correspondence supervisors, designated in some cases by this title and in other cases by such titles as "Chief Correspondent," "Correspondence Critic," or "Correspondence Editor." In some instances where the house has an elaborate educational department, the work of correspondence supervision is performed by the educational director or one of his assistants. That not all large companies have such supervision is an indication that they are unaware of the amount it can save them or that they have not yet found the right man to take charge of it.

One of the first companies to employ a correspondence supervisor discovered the possible savings and the man to make them at the same time. This is a large automobile tire company that maintains branch houses in most of the large cities of the country. Some years ago a statistical investigation disclosed the fact that a certain Southern branch was handling the important and difficult work of adjustments at lower cost and with greater satisfaction to the customers than any other of the branches

or even the home office. Naturally the officers were curious to know who was responsible. They found that a young man not many years out of college was in charge of all the correspondence in this department. They immediately decided that it would be a good thing to have him teach his methods to correspondents in other branches of the company and they brought him to the home office for this purpose. His success was so gratifying that he soon took over the task of training correspondents in other departments of the business and of generally supervising all correspondence.

This company began with the right viewpoint—the viewpoint of securing better letters. Certain other concerns have attacked the problem mainly with the idea of saving money. They have been startled by the huge cost of letters, which in many cases runs as high as an average of forty cents per letter, including such items as stenographers' and dictators' time, paper, postage, and similar expenses. Obviously there is room for considerable economy here and it has been a temptation to hire some one —usually an efficiency expert—to eliminate the waste.

The unfortunate thing is that the efficiency expert whose experience is mainly in engineering fields is very likely to consider the letter simply as a product and to devote his entire attention to the task of cutting down the production cost. He may recommend window envelopes, for instance, to avoid the necessity of writing the addresses twice, in cases where the window envelope may be unsuitable because of its association with the monthly bills

that everyone receives—and dislikes. He may even recommend the omission of a salutation and a complimentary close, or the elimination of pronouns and articles, and other elements that are conspicuous by their absence.

This is not to say that the efficiency expert's recommendations are invariably so shortsighted as this. It is, however, unwise to begin the work of correspondence supervision with cutting costs as the prime object. Any man can find ways of cutting down costs in any business, such as the elimination of advertising, the hiring of cheaper salesmen, the use of cheaper wrapping paper, and a multitude of other things. To make changes of this sort without considering their possible effect is dangerous.

The Work of the Correspondence Supervisor

Generally speaking, the task of the correspondence supervisor is to make the letters of his company more productive, and to do so, if possible, at lower cost. In actual practice his efforts are usually directed along one or more of the following lines:

1. To standardize letters.
2. To prevent mistakes that destroy trade.
3. To train correspondents and stenographers.
4. To stimulate interest in better letters.
5. To cut costs.

In addition, he is sometimes able to do some incidental advertising of great value to the company and to add a service department that is valuable to customers. The advertising and service functions are secondary, however, and the main purpose of his work should not be sacrificed to them.

The exact steps taken by the correspondence supervisor along each of the lines mentioned vary with the different companies. In a company, for example, that has its correspondence written by thousands of employees of limited education, many of whom have come from mechanical fields, the important thing may be to train them to use good English. In another company, where the correspondents are usually well educated, more stress may be laid upon getting the proper viewpoint in letters than upon technical details. Each supervisor, of course, must deal with the situation he finds. No fixed laws can be laid down for his work. All that can be done here is to point out some of the more typical methods that supervisors in the past have adopted and used successfully.

Standardization of Form

In some companies every correspondent or every department has its own ideas about form. One likes the block form of writing the inside address, another the pyramid; one single spacing between paragraphs, another double spacing, and so on. Occasionally a correspondent has some pet variation, such as spelling out the date in three carefully spaced lines or placing the inside address somewhat to the left of the margin of the letter. There may even be differences in the typography and make-up of letterheads used in various departments or by different individuals.

There may be no special harm in the forms themselves, but there is harm in having such matters left to individual discretion. Some individuals are sure

to be lacking in common sense and good taste. Uniformity of appearance, moreover, has distinct positive advantages, especially when that appearance is attractive. For this reason the correspondence supervisor should try to standardize the mechanical make-up and appearance of all letters going out from the house.

This task needs to be accomplished, of course, with the co-operation of the department heads and individuals affected. Often their suggestions are helpful in determining what form will be most useful, as well as attractive. When the mechanical make-up has been agreed upon, the supervisor should see that all correspondents and typists are made familiar with it and are induced to use it. A correspondence manual may be prepared, if necessary, or some standard manual may be adopted as a guide. Some of the more important points in mechanical make-up are given in Appendix A of this book.

Prevention of Errors

The correspondence supervisor should make a careful study and analysis of the carbons of outgoing correspondence. In them he is sure to find certain errors continually appearing. There are likely to be stereotyped, routine phrases and mechanical, characterless expressions that rob the letters of their human quality. A list of these should be compiled and then brought to the attention of the correspondents by a bulletin or by a group conference. The elimination of these expressions from the correspondence will not only lead to more resultful letters, but will frequently result in considerable

savings of expense because these expressions are usually dead wood.

Faults in the viewpoint and attitude of the letter are more difficult to handle. Sometimes they result from a shortsighted policy of the company. More often, however, they do not represent the ideas of those in authority. Usually the heads of the company are surprised to learn of these faults and are only too glad to correct mistakes of this sort. To do this, conferences are advisable in which the president or some other high official outlines the viewpoint desired in the company correspondence or indorses the suggestions of the supervisor.

When correspondents generally have been brought to appreciate the spirit that should govern their letters, their individual errors will become fewer in number. There will still remain mistakes, however, that can be corrected only by consultation with the individual who was responsible. Suggestions made to the individual in this way should be tactful, of course, and should not be of such a nature as to destroy his initiative or originality. A certain amount of standardization is possible within the letter as well as in its mechanical form, but the correspondents should not be flattened in a mould.

Training Writers and Stenographers

The supervisor should bear in mind always that the task of producing better letters is primarily a task of producing better letter writers. No amount of standardization of form or correction of faults will accomplish much unless there is some educational development of the individuals. He will

therefore have to devise ways of training correspondents.

Several standard courses on letter writing are now available. In many instances they have provided a ready-made solution of the problem of training letter writers. In other cases, the supervisor may construct his own course of training particularly adapted to the needs of his house.

Education is a process that is never finished, especially education in an art like letter writing. After correspondents have received some course of training, therefore, it is a good idea to establish a series of regular bulletins which shall continually refresh in their minds important points in letter writing and guarantee against their falling back into old, objectionable habits. Group conferences may also be held at which the correspondence problems of the company can be discussed and solved.

The training of stenographers and typists may be somewhat along the same lines, but obviously more attention must be paid here to elementary points of technic, such as spelling, grammar, and punctuation. If the stenographer or typist is thoroughly familiar with the correct form in such matters, careless mistakes of the dictator may be corrected before the letter is finally transferred to paper and the expense of retyping or the worse alternative of a faulty and ineffective letter will be avoided. If the stenographer, in addition, has a good grasp of the principles of letter writing, so much the better.

It is a good idea to compile a list of words that are somewhat peculiar to the business correspondence of the company, and see that a copy is placed in the

hands of each stenographer and typist. This will help to insure that these words are used accurately and spelled correctly.

Methods of Stimulation

No system of supervision will accomplish its object if it is limited to improvement of the form and style of letters. Good writing depends upon good thinking; bad writing will inevitably result from bad thinking. A supervisor, like any other teacher, can give men the principles and methods of writing more effectively, but he is rarely able to teach them to think. And yet unless they do get out of the habit of routine, mechanical thinking, they will continue to produce routine, mechanical letters. The elimination of one set of stock phrases will simply result in the adoption of another set, only a degree less deadly.

What is the cause of routine thinking in business? Isn't it usually lack of incentive? Put a man in charge of a little business of his own and see how much keener his interest is; see how much more vital the letters he writes. So long as he felt himself only a cog wheel in the machinery of the business, his letter writing was a task to be disposed of. When he found himself in a position to profit or lose from the results, letter writing became an important means to the accomplishment of his ends.

The remedy, then, for mediocre letter writing is often to be found by furnishing correspondents with an incentive. Increased salary and promotion are, of course, the most obvious forms of incentive. In the rare instances where these are under the control of the supervisor he can classify the correspondents

in groups according to their proficiency. In the lower or apprentice classes are those inexperienced writers whose letters cannot go out until they have been read and approved by the supervisor or his assistants. In a higher group are those whose letters do not have to wait for the supervisor's O. K. before being mailed, but whose carbons are read and corrected regularly. In the highest group are those whose letters require practically no supervision. The salaries of the groups are naturally based on the sound principle of making each man pay for the amount of supervision he requires.

In the majority of cases, the correspondents are in various departments, each with its own head, and therefore the supervisor has no direct control of their compensation or promotion. It will hardly be possible to determine these matters wholly upon the basis of proficiency in letter writing. Proficiency or deficiency in letter writing, however, should be a factor in a man's advancement, and to that end the supervisor should furnish regular reports to the heads of departments. Such reports will show the rating of each man and the number and kind of errors he has committed during the period.

Such ratings should be made with due recognition of the fact that some mistakes are more serious than others. The system of classification may be made under convenient headings, such as the Five Cs, described in Chapter II of this book. There may also be subgroups for incorrect grammar, word use, and the like. Defects in substance and in tone and viewpoint should be regarded as most objectionable.

A filing card, 5x8 inches, is convenient for keeping the record of the correspondent. On the opposite page is illustrated the two sides of a form that can easily be adapted to the use of most companies.

The department head who receives such reports will probably be skeptical of their value at first, but is likely before long to find that letter-writing ability is a remarkably good index of the all-round usefulness of his men.

The rating of correspondents does not depend entirely upon the number of mistakes they make. Nor should the search for defects degenerate into a pedantic insistence upon small points, like an avoidance of the split infinitive. English is a living, flexible language and there are times when the rules in the school grammar may be sacrificed for the sake of securing the right sort of human, conversational tone. The supervisor should be at least as much interested in encouraging virtues as in detecting errors. His ratings should include mention of a writer's good points as well as his faults.

Reports should be compiled at least once a month showing the total number of good and bad points scored by each department as a whole. These give the head of the department a chance to discover how his correspondents compare with others and to take the necessary steps to bring them at least up to the average. The competitive spirit is likely to be awakened in him and his men so that they will try to get as near the top of the list as possible.

Contests are occasionally useful, especially where group conferences are held. Some problem of one of the departments may be submitted to all of the

Front

Name..... Department..... Date.....

Date of Training..... Time..... Began Dictating.....

Education..... Graduated..... Previous Experience.....

Nature of Previous Work..... Length of Service Departments.....

Remarks.....

MONTHLY RECORD

	Jan.	Feb.	Mch	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov	Dec.
Read												
Criticisms												
Percentage												
Rewritten												
Letters Mailed												

Back

DICTATOR'S DAILY RECORD

Name.....

Date.....	1	2	3	[up to 31]
Read				
Approved				
Criticized				
Rewritten				
Mailed				
Delays				
Incomplete				
Unnecessary Information				
Order				
Emphasis				
Viewpoint Wrong				
Discourtesy				
Mechanical				
Ambiguous				
Obscure				
Involved				
Awkward				
Verbose				
Sentence Structure				
Sentence Length				
Diction				
Tone				

men regardless of their department. The resulting letters may then be criticized and ranked by the supervisor and made the basis of group discussion.

The department immediately concerned will be stimulated to do their best work for fear some one in another department will surpass the efforts of their own men. The men in the other departments, similarly, will have a natural desire to shine at a task that is somewhat different from their regular routine. In such contests it often happens that a man in another department produces the most effective letter. A man in the sales department, for instance, will sometimes write a better collection letter than that written by any of the regular collection men. The latter can then profit from the new ideas they have received. Occasionally it will be found that a correspondent is not in the department where his talents can be most advantageously used. But for the contest his abilities might remain undiscovered indefinitely.

Other methods of stimulation are sometimes patterned after those commonly used with a force of salesmen. They include prizes for new ideas, bonuses for production of better quality and quantity, and the like. A weekly slogan may be formulated and put before all the correspondents. Childish as these things may seem, it should be remembered that we are all children grown up and games are more enjoyable than chores. Letter writing is done most effectively when it is done with enthusiasm.

The stenographers and typists will also respond to the right kind of stimulus. Some sort of merit system for advancement should be adopted, and the

Front

Name..... No..... Department..... Date.....
Date of Training..... Time..... Began Work.....
School..... Graduated..... Previous Experience.....
Nature of Previous Work..... Trained for.....
Remarks.....

MONTHLY RECORD

	Jan.	Feb.	Mch	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov	Dec.
Read												
Criticisms												
Percentage												
Rewritten												

Back

TRANSCRIBER'S DAILY RECORD

Name.....
No.....

Date.....	1	2	3	[up to 31]
Read				
Date				
Address				
Subject				
Signature				
Spelling				
Punctuation				
Tabulations				
Abbreviations				
Capitalization				
Numbers				
Amounts				
Grammar				
Reference Marks				
Margins				
Uneven Touch				
Strikeovers				
Erasures				
General Appearance				
Titles				
Spacing				
Miscellaneous				
Rewritten				

records of the different individuals and departments should be carefully kept. On the preceding page is illustrated a card that provides space for recording the sort of errors that are most common in the work of transcribers.[1]

Cutting Down the Cost

A good correspondence supervisor will save his salary many times over by cutting down the costs of correspondence. The elimination of stock phrases alone sometimes results in as high as a 5-per-cent saving, with a real gain in resultfulness.

The supervisor's examination frequently discloses the fact that some letters are being personally dictated over and over again with little or no variation. Here is evidently a place where savings can be made by the use of form letters or a form-paragraph system, such as that described in the next chapter.

In co-operation with the office manager, the supervisor may be able to devise more economical methods of physical production. The use of dictating machines, for example, has in some cases saved as high as 10 per cent of the cost of a letter. The supervisor will, of course, guard against false economy, such as the use of cheap paper or half sheets for outside correspondence. For interdepartmental communications, however, cheaper materials may sometimes be substituted to good advantage.

House Character

Because of his close and constant watch of all correspondence, the supervisor is in an excellent posi-

[1] By courtesy of The Norton Company.

tion to help formulate and develop house character. A good way to do this is by gathering from time to time letters of distinguished merit that have accomplished their purpose. These should include letters written by the highest officials in the company. From an analysis of these, it is usually possible to discover certain leading characteristics of style that seem to be most appropriate to the company's standing in the business world. These characteristics can then be formulated into a code or creed and placed before all the correspondents as an ideal to be reached. It is too much to expect that all correspondents shall even approximate the ideal, but the attempt to do so always results in a higher general average of attainment.

CHAPTER XVII

Form Letters and Form Paragraphs

The Uses of Form Letters

Many people have a strong prejudice against what they call "form letters." Heads of great business houses have been known to remark that they do not believe in them and do not use them. In practically every case, however, it will be found that they use the term in a limited sense or else do not know what mail their various departments send out. Very likely they do not use printed or multigraphed form letters, though in sales campaigns such letters are almost universal, but it is quite unlikely that every-one of their letters is personally dictated. Even a famous jewelry house that until a few years ago depended largely upon pen-written letters had many of these copied from a carefully composed original. These copies were form letters, as we use the term, and so are any other letters that are sent unchanged to a number of individuals, no matter whether they are printed, processed, or individually typed.

The prejudice against form letters is due chiefly to their abuse. Too often they are cheaply printed, widely distributed sales messages with no more personality and no better adaptation to the reader than a billboard has. Too often they are sent in response to inquiries they do not adequately answer, or in circumstances that demand individual treat-

ment. Their comparative cheapness is their great asset, and because of it they are often sent on missions for which they are unfitted.

If their limitations are kept in mind, however, form letters can be prepared to take care of a great deal of routine correspondence in almost every concern that handles more than a few letters a day. They can serve in many other capacities than as sales letters. The general letter sent by a manufacturing wholesaler to his trade to announce a reduction in price on certain lines of merchandise is generally a form letter; the letter sent by a retail merchant to customers who had not purchased during, say, the past six months, in the effort to ascertain the reason, is usually a form letter. In fact, whenever there is need in business to reach a number of persons with the same message at one time, the form letter is frequently the means used.

Oftentimes the form letter carries no inside address; at other times this address is "filled in." Sometimes certain blank spaces that are intentionally left in the body of the letter need to be taken care of and the necessary information filled in. But, as a general practice, there is little to be done to prepare the letter for mailing.

The Low Cost of Form Letters

The main reasons for the use of form letters are that (1) they are usually the most inexpensive means of conveying the same message to a number of readers; (2) since the message to be carried is standardized and the same for the entire group to be reached, form letters can do the work with nearly

the same effectiveness as personally dictated or form-paragraph letters; and (3) when it is essential that a large number of letters be sent at the same time, form letters can be produced much more rapidly than the other types of letters. The element of cost is, however, the main reason, for the cost of a single copy of a form letter is usually a fraction of a cent as compared with a cost of, say, fifteen cents for a form-paragraph letter and thirty-five cents for a personally dictated letter.

Form Letters and Routine Situations

So far in this discussion of form letters, all reference has been to form letters that are mailed at the same time to a large number of readers. Nothing has been said of the use of form letters prepared in advance to handle specific routine situations as they arise. For example: The manufacturer of "knock-down" houses who has advertised his product in the *Saturday Evening Post* will receive many requests for a catalogue of his products. Not only should his reply say that a catalogue is being sent, but it should also include the necessary sales talk. To answer each request with a personally dictated letter would be expensive; he would be compelled to employ a large number of high-priced correspondents. Moreover, the letters they wrote would, in the end, tend to become standard; that is, when a correspondent uses the same "talking points" and sales arguments over and over, he finally dictates approximately the same letter again and again. Even assuming that the sales correspondents could dictate as effective letters as one written by, say, the advertising or

sales manager, yet it is apparent that little, if anything, is to be gained by costly, personally dictated letters. In this instance, then, a form letter could be used to advantage to reply to each of those individual requests that merely asked that a catalogue be sent.

Making Form Letters Look Personal

In some instances, however, it is desirable that the reader should be made to think that the letter he receives is personally dictated. Since the majority of persons, in all probability, can detect a letter that has been multigraphed, it is obvious that the usual form letter cannot be used. Even under such circumstances it is still not necessary to use a personally dictated letter, for the proper effect can be secured by having the form letter copied by a typist. If the letter has been properly planned for use in such cases, the reader will usually assume that the letter is personally dictated.

This is especially true of form letters in which spaces are left for the purpose of indicating to the typist who is copying the letter that certain information is to be supplied. For example: A manufacturer of shoes advertises in the *Ladies' Home Journal* a certain style of shoe at the price of ten dollars a pair. As this manufacturer wishes to protect and develop his trade with dealers, he will not accept orders from individual consumers. Yet, as a result of his advertising, he is continually receiving orders, with cash inclosed, from consumers. In each case he is forced to write a letter, return the money, and refer the customer to the nearest retail store handling

these shoes. The expense of using personally dictated letters would be considerable. He could use a multigraphed form letter, but he desires to have these customers think that the letters they receive are personal. He can accomplish his desire at a low cost by having typists copy, in each instance, a form letter that has been made up to handle this very situation. The first paragraph of this form letter, as the typist will see it looks like this:

Thank you very much for your letter of (Fill in date) with (Check, M. O., express order, etc.), for $(Amount) inclosed.

When she has copied this paragraph putting in the necessary information which is supplied to her on a correspondence slip, the paragraph will look like this:

Thank you very much for your letter of June 24 with check for $10 inclosed.

The remainder of the letter is then copied, with only one other insertion of information—that of the names and addresses of retail shoe stores in the customer's town.

Since the letter is seen to be individually typewritten, and since the information in the first paragraph is personal, the recipient cannot but believe that the whole letter was personally dictated, and hence does not feel (as she might if the letter were multigraphed) that the matter was of such slight importance to the manufacturer that he could not give it personal attention.

When Form Letters are Inadequate

Such a form letter as that which has just been described cannot be made elastic enough to cover all

possible situations. If the customer, for example, asks additional information about other styles of shoes, or complicates her order in any of a thousand other possible ways, the form letter will irritate the reader because it apparently ignores her questions. There is still a way, however, of handling these problems satisfactorily, without the expense of a personally dictated letter. This way is found in the use of form paragraphs.

Form paragraphs are ready-made paragraphs or sections of letters, each of which deals with one main point or idea. They are so constructed that they can be used in a great variety of combinations to fit the situations that commonly arise in the order department, credit and collection department, or complaint and adjustment department.

Writing a Form-paragraph Letter

The best way to understand the use of form paragraphs is to watch a correspondent at work with them. In the adjustment department of a wholesale house, for example, you might see a clerk pick up and read a customer's letter on which have been penciled such notations as "No record of order in files. Will enter it now." He would then take a slip of pink paper and rapidly jot down the following symbols:

C102—March 21, March 3, two dozen Model 26 watches
C105
C109
C111

If you were then able to follow the customer's letter, with the pink slip attached, into the typing

department, you would observe the typist to whom the work was assigned open a book and begin to type a letter. After waiting four or five minutes, you could then see the following complete letter:

March 23, 1921.

R. V. McCoy & Co.,
Noname, Ohio.

Gentlemen:

We are sorry to learn from your letter of March 21 that you have not received your order of March 8 for two dozen Model 26 watches.

After an examination of our records, we are frank to say that we have been unable to find any trace of your order. We have satisfied ourselves by a thorough search and investigation that the order was not received by us. It is possible that it went astray in the mails.

Your order has been entered for the items you wish. Shipment will be made as soon as possible.

We are sorry that your order went astray and sincerely hope that your inconvenience will be slight.

Very truly yours,

Here before you is a complete, personally typed letter which completely answers the customer's letter and appears like a personally dictated answer.

The letter is composed of "form paragraphs," and the letter itself is commonly called "a form-paragraph letter." The symbols jotted down by the correspondent constituted all the instruction that the typist needed, for they referred her to certain numbered paragraphs in her form-paragraph book. These she copied; any blank spaces that appeared were properly taken care of. For instance, after she had started her letter by setting down the date and by copying the name and address of the customer (taken from his own letter), she opened her form-

paragraph book to paragraph C102, and this is what she saw:

C102 We are sorry to learn from your letter of..... that you have not received your order of..... for.....

As she copied this paragraph, she supplied the necessary information by referring to the further notations on the pink correspondence slip: "March 21," "March 3," "two dozen Model 26 watches." Then she proceeded to copy the remaining paragraphs called for—and the letter was done.

Requirements of Form Paragraphs

The term "form paragraph" designates a paragraph carefully planned and written in advance, and capable of being combined or used with other paragraphs (whether form paragraphs or personally dictated paragraphs) to make a complete letter.

Form paragraphs are sometimes selected from letters that have previously been personally dictated; sometimes they are written expressly for form-paragraph purposes. In either case each form paragraph must be complete in itself, for only when its contents are restricted to one topic can it be used successfully in combination with other paragraphs.

Each form paragraph, moreover, must begin and end in such a way that its connection with the preceding paragraph and the succeeding paragraph is natural and logical; otherwise a letter composed of such paragraphs will be disjointed and incoherent.

Reasons for the Use of Form Paragraphs

The great majority of routine letters received by any one department of a business house fall into

certain well-defined classes or groups. All the common, routine letters received by the complaint (or adjustment) department of a wholesale house, for example, can usually be classified according to the cause of the complaint as follows:

1. Delay in shipment.
2. Goods damaged in transit.
3. Goods not as ordered.
4. Shortage in goods received.
5. Goods lost in transit.
6. Quality of goods unsatisfactory.

Of every one hundred letters received by the complaint department of many wholesale houses, possibly fewer than ten complaints could not be classified in one of the six divisions given above. Since, then, approximately 90 per cent of these complaint situations can be so classified, the handling of such situations becomes more or less standardized. Why should the correspondents need to dictate personally over and over again the same six main types of letters required? The head correspondent or the head of the department can easily prepare form paragraphs which can be combined by the correspondents to make complete letters that will satisfactorily take care of these six main situations and their many variations.

As the same condition of affairs exists in other departments, the same general principle of handling the standard, routine situations by means of form paragraphs may likewise be applied to those departments.

Three valuable benefits generally result from the use of the form-paragraph idea applied to the handling of the standard, routine situations:

1. A uniform policy and a standardized method of dealing with each type of situation.
2. A reduction in the cost per letter.
3. More effective letters.

Through the use of form paragraphs and the consequent elimination of the individual dictator's own ideas about how the situation should be handled, a uniform house policy concerning just how any routine situation should be taken care of is established. The tone and style of the letter, moreover, is standardized.

The ordinary, personally dictated letter costs from 11 to 49 cents—a cost that is largely dependent on the salary of the dictator. The cost may be itemized roughly as follows:

Stamp	.02 .02
Letterhead and envelope	.01 to .02
Stenographer's (or dictating-machine operator's time)	.03 to .10
Dictator's time	.05 to .35
Total per letter	.11 to .49

If form paragraphs are used, the largest two items (the cost of the dictator's time and the cost of the stenographer's time) that enter into the cost of letters may be greatly reduced. At a conservative estimate, the cost per letter of the dictator's time can be reduced 50 per cent, for the use of the form-paragraph method ought to double his capacity for turning out letters. A typist who merely copies the paragraphs indicated is paid less than a stenographer; moreover, since one-half the stenographer's time is generally spent in taking dictation and the other half in transcribing it, the number of

letters turned out by the typist using form paragraphs should be double that turned out by the stenographer who takes dictation. This fact means a reduction of at least 50 per cent in the mechanical work connected with the letter. For these reasons, therefore, there can be little question of the truth of the statement that the use of form paragraphs results in a considerable reduction in the cost of letters.

Consideration should, however, be given to the relative efficiency of the personally dictated and the form-paragraph letters. The personally dictated routine letter is commonly the result of no great thought or effort. It is dictated extemporaneously. Explanations, descriptions, and arguments are rattled off with but little premeditation. If the dictator is not feeling well his letter will reflect it. Very seldom will all correspondents in the same department be dictating letters that will fully represent their capabilities. On some days the correspondent will do excellent work; on other days his work will slump. There will be no uniformity in tone or method of handling similar cases.

On the other hand, the form paragraphs that compose the form-paragraph letter are the products of careful thinking and planning. They are the best results of the mind of an experienced, high-class man—usually the head correspondent, or the head of the department. Although the correspondent may be having an "off day," his letters do not show it if he uses form paragraphs. Since his work is now more or less mechanical (it consists merely in choosing the proper paragraphs to use), all letters

are uniform in tone and in method of treatment. For these reasons, the use of form paragraphs does not always result in letters that are inferior to personally dictated letters. In offices where the correspondents are not of high caliber, the form-paragraph letters may even be superior.

Compiling Form Paragraphs

Suppose that you have been asked to compile the form paragraphs necessary to handle the routine situations in the complaint department of a wholesale house. In all probability, the best way to go about it would be as follows:

1. Request that an extra carbon copy be made of every letter sent out by the department during the course of two or three weeks. These carbon copies should be sent to you. During this period of two or three weeks, practically all routine situations handled by the department will have arisen.

2. Sort all the carbon copies and classify by the situation treated. All obviously individual and personal treatments should be placed in a separate pile and excluded from future consideration. After this sorting has been completed you will find, in all probability, that you will have before you about six piles of letters treating of complaints caused by the following list of reasons:

    1. Delay in shipment.
    2. Goods damaged in transit.
    3. Goods not as ordered.
    4. Shortage in goods received.
    5. Goods lost in transit.
    6. Quality of goods unsatisfactory.

3. Concentrate your attention on one pile at a time in order to subdivide the main situation treated in that pile. For example: Suppose you are giving your attention to the first pile—"Delay in shipment." You will find that there

are a number of reasons why the order has been delayed in shipment. Some of these reasons will be as follows:

1. Shortage in stock.
2. Order not received.
3. Order misplaced.
4. Shipment was made recently.

Etc.

4. You are now ready to construct the form paragraphs to be used for all situations treated in the first pile of letters. Select one of these subdivisions, say, "Shortage in stock"; then read and study a sufficient number of letters handling this situation so that you can understand how the matter can be best handled.

5. Determine how many ideas (paragraphs) will be used and what each idea should be.

6. Write paragraphs that will adequately cover each idea of the letter handling the situation. In writing these paragraphs, you will be greatly helped by combining in them any particularly good features of the paragraphs you have come across in the letters you have read. (See step 4 above.) For each letter, it will be necessary (as will be shown later) to compose at least two "openers" (an "opener" is an opening or beginning paragraph of a letter). You will also need to compose at least two "closers" (a "closer" is the closing or ending paragraph of a letter).

7. Test the unity of the paragraphs and their capacity for combination by putting them together to make the complete letter. You may find that the connection between certain paragraphs is poor; or, you may find that one paragraph overlaps the other. All these faults should now be corrected.

The same treatment as described beginning with step 3 should be given to each subdivision of all the main divisions. When this work has been accomplished, you should have a complete set of form paragraphs to cover all the routine situations arising in the complaint department.

It is now necessary to index these paragraphs so that they can be referred to quickly and easily by the correspondents and typists who use the form-paragraph manual or book. Poor indexing of the paragraphs will cause much difficulty in the finding of the proper paragraphs. It may even result in the use of the wrong paragraph.

One of the commonly used methods of indexing form paragraphs is to consider each main classification (such as, "Delay in shipment") as a separate unit. All paragraphs having to do with situations caused by "Delay in shipment" will be assigned a number between 100 to 200. The letter "C" will be placed before each number to indicate that that paragraph has to do with complaints. Accordingly, all paragraphs to be used in handling situations having to do with "Delay in shipment" will bear an index number such as, C112, C124, C188. The first digit of the whole number indicates the main classification being treated. In other words, the digit "1" in C135 indicates that it is a paragraph concerning "Delay in shipment."

Paragraphs having to do with the "Goods damaged in transit" situation will be assigned numbers from C200 to C299 (inclusive). Paragraphs dealing with the "Goods not as ordered" situation will be assigned numbers from C300 to C399; and so on with the other main divisions.

These main divisions are further subdivided—due allowance always being made for future expansion in any one division. This subdivision results in a clean-cut, ready-reference index to the individual situations or cases to be handled. Then the index to

COMPLAINTS

C 100–200 SHIPMENT DELAYED.

C 100–120 Order Misplaced and Order Not Received.

C 100 Opener.
C 101 Opener.
C 105 Apology for misplacing order.
C 106 Apology for misplacing order.
C 107 Unable to find order.
C 108 Order has been entered.
C 109 Order is being sent.
C 110 Send duplicate order.
C 111 Closer (order misplaced).
C 112 Closer (order not received).

C 120–140 Stock Shortage.

C 120 Opener.
C 121 Opener.
C 126 Overwhelming demand.
C 127 Conditions of manufacturing.
C 128 Special season rush.
C 129 Fairness of shipments.
C 130 When order will be shipped.
C 135 Closer.
C 136 Closer.

C 140–150 Shipment Made Recently.

C 140 Opener (whole order sent).
C 141 Opener (part sent).
C 143 Apology for delay—oversold.
C 144 Apology for delay—swamped with orders.
C 146 Part sent—part back-ordered.
C 148 Closer.
C 149 Closer.

C 100–120 Order Misplaced and Order Not Received.

Openers

C 100 Immediately upon receipt of your letter of (date) in which you inquired about your order of (date) for ....., we consulted our correspondence and order files. C 100

C 101 We are very sorry to learn from your letter of (date) that you have not received your order of (date) for ..... C 101

Apology for Misplacing Order

C 105 After a careful investigation, we have discovered that by some unaccountable carelessness your order was misplaced and was not attended to. We are wholly to blame for the delay, but we hope that you will be good enough to overlook the slip-up for this once. C 105

C 106 We must regretfully admit that we are at fault, for through the unaccountable carelessness of some one your order had been filed away without first being attended to. C 106

Unable to Find Order

C 107 We are sorry to say, however, that we have been unable to find any trace of your order. We have satisfied ourselves by a thorough search and investigation that the order was not received by us. It is possible that the order went astray in the mails. C 107

Order Has Been Entered

C 108 Your order has been entered for the items you wish and it will be shipped as soon as possible. C 108

Order Is Being Sent

C 109 To-day we are sending your order by ..... and you should receive it shortly. C 109

Send Duplicate Order

C 110 So that we may be able to fill your requirements as promptly as possible, we wish to ask you to send us by return mail a duplicate order. C 110

Closer (Order Misplaced)

C 111 Again let us apologize for the delay and let us assure you that steps have been taken so that a similar situation will not arise. C 111

Closer (Order Not Received)

C 112 We are very sorry that your order went astray. We hope that you will not be inconvenienced much by the delay, C 112

the individual paragraphs is placed under each of the subheads. A brief study of the index of a typical form-paragraph manual, shown on page 460, will make clear the matter of indexing.

A sample page showing the form paragraphs themselves appears on page 461.

Let us now see how the correspondent uses the form-paragraph manual. Suppose that he receives the following letter from a customer:

December 4, 1921.

GENTLEMEN:

What has become of my order of November 8 for three dozen assorted lamps?

You know I need these goods for the Christmas holidays. If I don't get them immediately I shall cancel my order.

Yours truly,

The correspondent immediately realizes that this is a "Delay in shipment" complaint. Before he can handle it, however, he must first find out why the shipment was delayed—why the customer has not received his order. Inquiry at the order department discloses the fact that there is no record of the order having been received. With this information, the correspondent can now reply by noting on the letter or on a correspondence slip the following paragraphs, referring to the index shown on page 460:

C101—December 4—November 8—two dozen assorted lamps
C107
C110
C112

Please note that the paragraph number C110 is used instead of C108 or C109 because the statement

"three dozen assorted lamps" is too indefinite to permit the filling of the order until a duplicate order giving the specific items is received.

Errors in Form-paragraph Construction

In the construction of form paragraphs it is advisable that one should know some of the common errors made in form-paragraph construction, for such errors are frequently made and result in the construction of form paragraphs that cannot logically be combined with other form paragraphs in the same letter.

One common fault is made when the builder of the form paragraphs, in his desire to obtain greater variety in letters by giving correspondents the opportunity of using one of several openers and one of several closers, composes alternative paragraphs that cannot be used interchangeably. Sometimes the connection between the opener and any second paragraph is not clear; sometimes the information contained in an opening paragraph overlaps the information given in any second paragraph.

All other paragraphs should also be closely examined to make sure that the beginning and ending are such as to permit of a logical combination with a preceding or succeeding paragraph.

Another error in the construction of form paragraphs is that of lack of unity. Each paragraph must be sufficient in itself to cover one separate point. It must say one thing and say that completely.

The mere fact that the reader will see that the letter composed of form paragraphs is actually type-

written and not a processed letter tends to increase its value in his eyes, for he believes that it is a personal letter. Yet in many instances he may detect from certain evidence that the letter is not a personally dictated letter. This evidence is apparent in the woodenness, stiffness, and lack of personality of the various paragraphs in the letter. It is oftentimes only too obvious to the reader that in a personally dictated letter sharp breaks between paragraphs would not exist; that such polished language could not have been dictated offhand. Since it is the aim to construct form-paragraph letters that seem to have been personally dictated, it is well to watch the connection between paragraphs, and it is particularly advisable, also, not to revise the English of the paragraphs to such an extent that all the colloquial expressions and all personality and naturalness are polished out of the letter, for the customary, dictated letter is composed mostly of colloquial expressions and easy-going English.

This last point is of special importance in view of the fact that the correspondent occasionally has to insert a personally dictated paragraph in his form-paragraph letter in order to cover some unusual point which is not covered by any paragraph in his manual. If this inserted paragraph is noticeably different from the others in language or tone, the effect of the whole letter will be spoiled. It may be added, incidentally, that the practice of combining form paragraphs with personally dictated paragraphs is excellent training for the correspondent and is likely to develop the quality of house character in his general style.

Other Uses of Form Paragraphs

A form paragraph may also be used to good advantage to assist in selling. For instance: The letters that are written by the wholesaler to his dealers on routine matters may be made to help the sales efforts of the organization through the inclusion of a paragraph that presents a seasonal sales talk, a "tip" on the state of the market, an announcement of new advertising, or other interesting business news. These form paragraphs usually are made up by the sales department and are given to the correspondents of other departments to be made use of during a specified length of time, say, two weeks. These paragraphs may be used as postscripts or may be inserted in the body of the letter.

It very often happens that inquiries secured as a result of advertising contain certain questions that are asked again and again by the inquirers. Answers to these standard questions can easily be covered by form paragraphs.

CHAPTER XVIII

Business Reports

The Use of Business Reports

The development of the business letter as a tool in modern business within recent years has been accompanied by a similar increase in the number and importance of business reports, and for much the same reasons. As corporations have widened their field of operations it has been increasingly difficult to maintain personal contact with their own representatives—to say nothing of outsiders. Nevertheless the plans and decisions of those in the home office must often be based upon the observations and experiences of these distant men. Moreover, the tendency to depend on systematic investigations rather than haphazard snap judgments has been constantly growing. In these and countless other situations the business report is a practical necessity.

In large corporations to-day we find a network of such reports. The salesmen and other field representatives report to a crew leader or a branch manager; the branch manager reports to the sales manager; the sales manager reports to the president; the president reports to the board of directors; and finally the board of directors reports to the stock-

holders and the public. And this is but one thread of the network. To the casual observer and occasionally to the employee at the distant end of the line it may seem like "a lot of red tape," but those who have more experience realize that there is no satisfactory substitute. Even where personal contact is possible, the report is often a time-saver by eliminating many of the time-wasting "conferences" that eat into the working day. Moreover, the task of reducing the material to written form tends to crystallize it in usable shape and avoids the errors that creep in when dependence is placed upon the memory. "Put it in writing" is a standing order in many business houses.

Professional advisers, like accountants, advertising agencies, engineers, and the like, must place even greater dependence upon the report. Often the work of months has to be summed up in a report, on the results of which the adviser must stand or fall. And too often he depreciates the value of his painstaking research and planning by sending a pitifully inadequate report. It is a sad fact that the average business man has given little study to the principles of report making, and hence a really good report is a rarity. Improvement in this field has by no means kept pace with improvement in correspondence.

The writing of a good business report is no more difficult than the writing of a business letter; in some respects it is easier. It calls for more careful planning, of course, because of its greater length. Beyond this it presents no formidable problem for the man who can write a good letter. It is only

necessary that he should appreciate the purposes of the report and that he should have a clear understanding of the conditions under which it is used.

Business reports are of many different kinds. They range from auditors' reports, which consist mainly of figures with a few comments, to reports of explorers, which are largely narrative and descriptive. Their essential functions, however, are pretty much the same. In most cases they attempt to transmit information that the reader needs as a basis for his plans and actions. Sometimes they include also the writer's opinions, conclusions, and recommendations based on the facts. A report may be useful without opinions, but a report without facts is no report.

From this definition it will be observed that the business report differs from the letter in several important respects. It goes to an interested reader; therefore the factor of interest is not of great importance. It does not directly attempt to secure action, as a rule, though action may result from it. It does not need emotional qualities, and in fact should be as unbiased and unemotional as possible. Finally it is more permanent in character. It is likely to be used for future reference.

The qualities a good letter should have—the five C's—will not come amiss in the report, but the only one that is vital is *clearness*. Everything else may be subordinated to that. To it may be added the requirement of *convenience* for reference purposes. Clearness and convenience in the report are secured by the right sort of display or physical make-up, and

by construction along lines that have been fairly well established by trial and experience.

The Display of the Report

It was formerly the practice of most business men to have reports typed on legal foolscap paper, which is a few inches longer than the ordinary letterhead size. To file the report without folding, it was necessary to have filing cases of extra width. More commonly the report was folded horizontally in the middle and then the double part folded horizontally in the middle. This made a document that could be inclosed in a legal-sized envelope. It could not conveniently be filed in a regular correspondence file, however, and required special-sized filing cases.

For these and other reasons the modern tendency is to use paper 8½x11 inches for reports as well as letters. This can be filed unfolded in a standard filing case. For mailing it can be folded up one-third of the distance from the bottom and about an equal distance from the top; or if it is thick, it can be mailed flat. This size has the additional advantage that the pages can be fastened at the side, if preferred, so the report can be read as one reads a book. The foolscap paper has to be fastened at the top. In either case, the report should have a cover, or at least a backing, of heavy paper to protect it and to prevent the fasteners from tearing out.

A report should be typed with a margin of at least two inches at the left. It should have the main divisions indicated by captions or section headings so that the user may quickly refer to any section at any time. These headings should be in capital let-

THE PHYSICAL ARRANGEMENT OF A REPORT PAGE

Different Kinds of Reports

Reports range all the way from the short report of nearly all figures to long reports made up of narration, description, and exposition. There is every grade of report from the mere presentation of facts or statistics up to dignified persuasion and the making of important recommendations. But in all cases the physical arrangement of the report is very important. The value of the report is largely dependent upon the method of arrangement and physical appearance.

Arrangement of the Report

In order that the reader may be able to refer immediately to any point in the report in which he is most interested and in order that he may know exactly what is covered in a certain paragraph or section, the report should have numerous sub-heads appearing in the margin opposite the paragraph or paragraphs to which the sub-head refers.

Margins

To allow sufficient space for the sub-heads which appear in the margin and to permit of the placing of the report in a loose-leaf binder so that the written portion of the report will not be obscured, leave a margin of two inches at the left-hand side. A margin of three-quarters of an inch should be left at the right-hand side. All lines should begin flush with the left type-margin line.

HEADINGS

Main Heads

Main heads should be written in capital letters and should be centered on the page.

Sub-heads

The first letter of all words in a sub-head, with the exception of articles and prepositions, should be a capital letter. The sub-head should begin in the margin, on a line with and opposite the paragraph to which it refers. Leave at least a quarter inch between the end of the sub-head and the paragraph margin.

SPACING

Single space between lines, and double space between paragraphs. Whenever there is a main heading, drop down three spaces, type the main heading and then drop down two more spaces before starting the next paragraph.

-2-

EXAMPLE OF ARRANGEMENT OF A REPORT PAGE (PUNCHING AT TOP

purpose a skilled repair machinist should be employed to keep the equipment in order. Moreover he is to report every three months (Jan. 1, April 1, July 1, and Oct. 1) on the condition of these machines to the head of the department, so that replacements and new equipment may be secured far enough ahead.

Establishment of a department material room

The establishment of a departmental material room is essential for the economical care of supplies. A responsible clerk should be in charge of such a room with authority to record, store, and issue materials in accordance with the written orders given him by the head of the press department. Proper books, forms, and files should be furnished by the accounting department.

Planning of the work should be done through the head of the department

Planning of the work for the day should be done by an assistant to the head of the press department. No plans should pass without having been completely checked by the head of that department. Written orders to the mechanics should be signed by the head of the department.

EFFECTS OF SUGGESTIONS

Departmental costs reduced through use of standardized equipment

With properly standardized equipment, work may be planned on a common basis, and thus may be avoided the present confusing series of figures used for estimating. This plan will not only save time in making estimates but will safeguard the company from errors in estimates.

Considerable saving will result from the benefit of interchangeable, standardized parts. The present capital investment for rollers, slitting knives, and other supplementary parts amounts to $14,000. With the standardized equipment proposed under this new system, the capital investment for such items will not exceed $3,000 at catalog prices.

The loss in "idle time", both of labor and of

-7-

EXAMPLE OF ARRANGEMENT OF A REPORT PAGE (PUNCHING AT LEFT)

ters, or otherwise emphasized. Smaller subheads indicating the contents of each paragraph may be inserted in the left-hand margin. These devices add greatly to the convenience of the report and also suggest its importance, so that it is likely to receive more respectful consideration.

The Construction of the Report

The business report usually consists of three fairly distinct parts: (1) the introduction; (2) the body; (3) the conclusion.

Introductions of business reports are so similar that they can almost be considered standard. They must tell what the purpose of the report is, and what ground it covers; by whose order or for what reason it was prepared; and from what sources the material was gathered. In the case of a long report these points are sometimes covered in a separate "letter of transmittal," but the ordinary report does not require this separation.

A standard outline of the introduction would therefore be as follows:

A. Introduction
  I. Scope and Purpose of the Report.
  II. Authorization.
  III. Sources of Material.

The *Body* of the report, as its name implies, contains the facts, with such explanation and interpretation as these may require. Sometimes it also contains recommendations, but so far as possible these are reserved for the *Conclusion*. No specific rules can be stated for the arrangement of the *Body*, because this obviously depends upon the kind

of material included. We may, however, give a few general principles that have been found helpful. For the most part they are based upon the eternal laws of Unity, Coherence, and Emphasis.

Some sort of outline should be made before actually writing the report. The more complete this is the better, for it provides a dependable method of subdividing the report into convenient parts, and often supplies the captions for the subdivisions. The first task is to select the material that is to be included. This cannot be done unless the writer knows he has all the facts. Misleading and biased reports are sure to result when a part of the data is willfully or carelessly suppressed.

It is true that sometimes a report is written with the deliberate intention of making out a case. The practice of disguising arguments and propaganda by the name and form of a report, however, is one that can scarcely be defended. The purpose of a report should be to obtain all the facts and present them truthfully—*not* to establish preconceived ideas, but to furnish a sound basis for conclusions. Many so-called investigations are rendered worthless by the bias of the investigators. In order to eliminate this factor, some investigating agencies have found it necessary to conceal from investigators the object of the investigation and the identity of the concern that pays for it. Whatever precautions are adopted to eliminate bias, a report should contain true facts.

Not all the available facts are ordinarily worthy of inclusion. Where a writer's report covers the results of his own investigations, he has the temptation to value facts by the difficulty of securing them.

The standard of value that should guide his selection is the value to the reader. Any man will justly feel some irritation if he is compelled to wade through pages of irrelevant details to find the few facts which have material value for his purposes.

When the facts have been selected they can be grouped in convenient divisions. In some cases, the task is easy. A report on labor turnover, wages, or other matters concerning the employes of a company would naturally be divided according to the departments covered. A report on the newspapers of a city would obviously have the main divisions "Morning newspapers" and "Evening newspapers." Sometimes, however, there is no established grouping to be followed as precedent and the writer must devise one. His chief problems will be to cover the whole subject and to avoid overlapping divisions. These problems can be solved if he will take care to divide always according to a single characteristic—*i.e.*, time, place, material, cost, or the like. The most convenient division is that in which the material is divided into two groups according to the possession or lack of a certain characteristic.

The report as a whole is usually in the inductive order, with the facts followed by the conclusions. Even if it is necessary to state some conclusions in the body of the report they should be preceded by the facts on which they are based; otherwise there is danger that the reader will doubt an opinion that is contrary to his expectations, and consequently will be somewhat skeptical of the accuracy of the facts. An exception may be made in the case of a short report where the writer's conclusions and

recommendations are almost certain to be accepted. There is then no great objection to the deductive order.

Connection of the parts is not of vital importance, because the use of captions and subheads serves as guide-posts to easy progress. Transitional paragraphs of summary are helpful, however, in completing each step and preparing for the next.

The *Conclusion* of the report should contain a general summing up of the most essential facts. With it may be presented such conclusions and recommendations as the purpose of the report justifies.

As an illustration of the construction of a report the following outline may profitably be studied here:

REPORT ON THE VALUE OF THE PETROCO TRADE-MARK AND TRADE NAME

A. Introduction.
  I. Authorized by the Sales Manager.
    1. Because of criticisms of advertising policy.
    2. As a basis for future campaign.
  II. Purpose and Scope.
    1. To find extent to which dealers and consumers know and use the trade-mark and trade name.
    2. To find whether it has been an effective help in the marketing of Petroleum Oil Company's products.
  III. Sources of Information.
    1. Standard works on trade-marks.
    2. Advertising periodicals.
    3. Personal investigations among dealers, consumers, and the gneral public.
      a. In Blankopolis (where full advertising campaign was conducted).
      b. In Lesserville (where little advertising was done).
      c. In outlying districts of the territory.

B. Body of the Report.

I. Adoption of the Trade-mark and Trade Name.

1. Conditions prior to 1915.

a. Sales fair but not increasing.

b. Extensive practise of substitution by unscrupulous dealers.

2. Ineffectual efforts to cure bad trade conditions.

3. How trade-mark was formulated.

II. The Advertising Campaign.

1. Newspapers.

2. Billboards.

3. Dealer display.

III. Attitude of Dealers.

1. In Blankopolis

2. In Lesserville.

3. In outlying districts.

IV. Attitude of Consumers.

1. Increase in numbers using *Petroco* in Blankopolis.

a. Trade-mark generally recognized.

b. Trade name occasionally used.

c. Mispronunciation of *Petroco*.

d. Few complaints of poor quality.

2. Conditions less favorable in Lesserville.

3. Conditions fair in outlying districts.

V. Attitude of General Public.

1. Trade-mark not widely recognized.

2. Trade name little used.

C. Conclusions and Recommendations.

I. *Petroco* well on way toward establishment.

1. Effects of advertising distinctly traceable.

2. Increase in number of dealers profitable.

II. Substitution not Altogether Prevented.

1. Mixing apparently practised in some garages.

2. Legal steps should be taken.

III. Dealer Helps Should be Increased.

1. New signs should be furnished.

2. Signs should be nailed up by salesman.

IV. Advertising Should be Extended.
Exhibits.
A. Schedule of advertising and estimate of costs.
B. Map showing density of distribution in Blankopolis and Lesserville.
C. Graphic curve of increase in number of dealers in Blankopolis and Lesserville.
D. Tabulation of replies to dealers' questionnaire.
E. Tabulation of replies to consumers' questionnaire.
F. Tabulation of replies to general public questionnaire.

The Style of the Report

Reports may be classified, according to their style, into two main groups—formal and informal. An informal report is usually intended for one person (or at most a few persons) with whom the writer is acquainted. Such a report is written in much the same style that would be used in a letter written to the same individual. Conversational language, even colloquial, is permissible, and the personal pronouns *I* and *you* are introduced freely.

The following example illustrates:

This record shows that unless some one were purposely misrepresenting facts they were in good shape all day. If the operators had tried to confine themselves to four sets and couldn't, I think they would have resorted to Morse overflow, and no Morse is recorded. Furthermore, as Saturday was a Jewish holiday and many financial and business houses were closed, the file was very light. Unless something out of the ordinary wire trouble developed, I fail to see how they could have been very many hours behind and the records show no excessive trouble.

When a report is intended for those with whom the writer is not personally acquainted, an entirely different style is needed. The report should be formal in the sense in which this term is commonly

used as applied to dress. That is to say the style should be dignified even to the point of stiffness. Colloquial language should not be permitted. The writer should refer to himself in the third person, as "the writer" or "the undersigned"; rarely as "I." There should never be any suggestion of familiarity.

One reason for this style is that the report may later be partly the basis for a larger report, possibly published or otherwise circulated to a wide audience. The task of preparing this larger report will be facilitated if it is possible to embody in it sections of the former report, without translation or other revisions that might be necessary if the tone were too personal.

The following example illustrates the style of the formal report:

> The Company has not only thrown open all of its books and other accounts and plants to the inspection of the City's representatives, as contemplated in the ordinance of 1907, but it has freely given much other valuable material and assistance which it was under less obligation to furnish. Inquiries which called for considerable investigation were much more promptly and fully answered than is customary, or than could have been legally demanded. There has been no evidence of an attempt to keep back anything that was asked for relative to the Company.

In all classes of reports it is essential to avoid a florid, rhetorical style. Interest is not a prime requirement, and even if the sensational, human-interest style of presentation made for attractiveness—which is not always the case—this advantage would be more than offset by the lack of credibility. The so-called "yellow" newspapers have taught us that a highly colored story is not always strictly accurate and we are apt to be suspicious of a writer

who tries too hard to be entertaining. While it is not necessary to be dull, it is wise to be conservative and restrained in any report that depends for its success upon the reader's belief and confidence.

The following comparison will illustrate:

Florid, Unsuitable Style.

The few years immediately preceding the outbreak of the great World War constituted an important epoch in the history of American railways. For some twenty years the railroads had been the legitimate prey of the political mountebank. Not a single railroad escaped the persecution of the legislators of the various states, actuated, as these were by the overweening desire to impress their constituencies favorably at the expense of the supposedly bloated railway magnates. Much of the hardship inflicted on railroad managements was the natural outgrowth, to be sure, of the exposure of managerial rottenness that had made the railroad a byword of corruption. But much of the legislation enacted in this mood, arising, as it did, out of the desires of a public unfamiliar with railroad economics, was vicious in its effects.

Better Report Style.

In the few years preceding the World War the railroads were seriously affected by adverse legislation. How much of this was a reaction to corruption on the part of the railroad managements in this earlier history would be hard to determine. It is certain, however, that some of the laws were enacted because of the desire of legislators to win the favor of their constituents and were in disregard of the fundamentals of railroad economics. Many of these laws were harmful in their effects.

Graphs and Charts

Facts can often be presented in pictures and symbols more accurately than in words. A single photo-

graph or blue-print may explain the advantages or disadvantages of a location at a glance, whereas a ream of description might fail to tell them at all. Engineering reports especially are likely to be copiously illustrated. Other reports should also have some sort of pictorial or graphic representation of facts wherever clearness and convenience will be served thereby.

The illustrative material may accompany the portion of the text to which it is related. If there is a large amount of it, however, the better plan is usually to group it at the end of the report under the head of "*exhibits.*" In some kinds of reports, notably auditors' reports, the exhibits are by far the most important part; the text of the report may be but a few paragraphs of explanatory comment.

The most common kinds of exhibits come under the following classifications: (1) photographs; (2) drawings and blue-prints; (3) tabulations; (4) graphs and curves. The first two classes are sufficiently well known to need no explanation, but a few suggestions about tabulations and graphs may be in order.

Exact data upon many subjects require the use of figures. If only a few are used they may be put in the body of the text. If, for example, the report simply stated the gross amount of business done by our company this year as compared with last year, there need be no departure from the ordinary methods of statement. Any considerable amount of statistics, however, in the text make it hard to read and anything but clear. Comparison of gross business, operating expenses, depreciation, taxation,

profits, and a multitude of other factors for a series of years are confusing and not at all enlightening unless they are tabulated.

Tabulation consists in orderly arrangement of statistics in columns with suitable headings, and usually places for totals. Comparison of one amount with the others is facilitated and any particular amount can be referred to quickly at any time.

The following will illustrate the advantages of tabulation:

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1919	1918	1917
Net income	$ 8,225,484†	$10,392,075	$ 9,324,396
Dividends	1,200,000	1,500,000	1,200,000
Surplus	7,025,484	8,892,075	8,124,396
Previous surplus	43,546,791	40,134,939	32,010,543
Total surplus	50,572,275	49 027,014	40,134,939
Adjustment	112,706‡	5,480,223*	.....
Profit and loss surplus	$50,459,568	$43,546,791	$40.134,939
INDICATED EARNINGS:			
Per share of stock (150,000 shares)	$54.84	$69.28	$62.16
Dividends paid per share	$8.00	$10.00	$8.00

*Covering losses on investments in Russia, and amortization of plant equipment installed after April 6, 1917.
†After deducting $413,531 for insurance reserve and $800,000 for income taxes.
‡Amortization of plant.

The chief difficulty with tabulations is that some of the items may be misleading unless they are accompanied by explanations. Certain figures may only be estimated, or may be drawn from different sources. The difficulty can usually be solved by appending footnotes, and marking the items in the tabulation with asterisks, daggers, or other symbols

to call attention to the footnotes. This method may also be found in a baseball box score, which is perhaps the most familiar form of tabulated data.

One other difficulty with tabulations is that they are not easily comprehended by people who are unaccustomed to figures. The mind may be able to grasp the fact that 432,879,621 is considerably larger than 179,924,536, but it does not have any accurate conception of the proportions. When they are expressed in percentage, they are somewhat clearer, but at best figures are an uncertain method of comparison because they are abstract.

The advantage of graphs is that they are concrete. They give the mind the help of the eye in making its judgments. When we are told that one building is eighty-six feet high and another fifty-five feet high, we have a hazy idea of their relative height. When we see pictures of them drawn to the same scale we know just how much taller one is than the other. In the same way we can represent any two or more figures by bars or lines, so that we may see their relative size.

The bar method of graphic representation is the simplest, but there are many others in common use. Some are less desirable than others. The main requirements are that the method should be both clear and accurate. Neither of these qualities should be sacrificed for the sake of interest. Pictorial graphs, such as the drawing of barrels of different sizes to show the amount of sugar consumed in the United States in different years, are objectionable for this reason. This is especially true where the amounts to be compared are measured in terms of

height, because the eye compares the areas, not merely the height; moreover, the eye cannot accurately compare areas. Propagandists sometimes show the relative size of armies and navies by pictures of soldiers and ships of different sizes, but these representations are almost invariably misleading. They have no place in the ordinary business report.

A somewhat more accurate method is that known as the "pie" diagram, which consists of a circle divided into sectors like the cuts of a pie. This is a satisfactory method for showing the disposition of a sum of money. The "Swift dollar" has been widely circulated to show how this packing house expends the money it receives for its products—so much for labor, so much for raw materials, and the like, and the final small sector for profit. Where absolute accuracy is required, however, this method is not satisfactory, for the eye cannot so readily compare the width of angles or the length of curved lines as it does the length of straight lines or bars.

The graphic curve is an outgrowth of the bar or line method of representation. Suppose, for example, we wish to show the population of a city year by year from 1900 to the present time. We might draw a vertical bar for the year 1900, and then from the same base and a little to the right draw a slightly longer bar for the slightly larger population of 1901; then another for 1902; and so on. Now if we connect the tops of these bars by straight lines we have a so-called "curve" (modern practice does not sanction the use of curved lines in forming this graphic curve). In the graphic curve as ordinarily presented the vertical bars are omitted; only the line connect-

ing their tops is shown. The base, however, should be indicated, otherwise the curve will appear greatly exaggerated. Many of the stock-market curves shown in newspapers give a misleading idea of the degree of the fluctuations because the true base if not shown.

One great advantage of the curve is that a number of different items may be shown on the same chart for a period of years. Thus railway earnings, operating expenses, stock and bond prices, and other items can all be graphically shown together. A single chart in a business report may present a large amount of facts that would otherwise require pages of tabulations and text.

There are many other graphic methods of presenting facts that are useful to the writer of reports. Maps and charts, cross-sections, and the like are frequently useful. Those who care to go deeper into the subject will find a wide array of devices in the *Statistical Atlas of the United States*. For a scientific treatise of the whole subject they will do well to consult Brinton's *Graphic Methods of Presenting Facts*.

Opinions and Recommendations

The writer's opinions and conclusions are usually a less important element of the report than are the facts he submits. If the facts are there the report has some value, no matter how erroneous the conclusions may be. The reader may be able to reach the right conclusions. The writer should usually be cautious, therefore, and not attempt to prove too much.

His attitude also should be unbiased and judicial.

Too liberal use of "I think" and "I believe" may suggest personal prejudices and enthusiasms. Far safer is the attitude suggested by such phrases as "the facts indicate," and "from these figures it appears." Restraint and conservatism should be evident in the presentation of the conclusions. There should be no appearance of eagerness to explain away facts that seem at variance with the writer's or reader's belief.

The following example illustrates lack of scientific conservatism in explaining away unpleasant facts:

The figures given above show a healthy increase in business every month for the past year, with the exception of last month, which shows a small decrease. This is undoubtedly due to the fact that a large number of people have left the city for the summer resorts. The general tendency has been to increase and we may conclude that our selling plans need no material alteration.

The amount of stress that should be laid upon recommendations depends upon the conditions surrounding the report. No general rules can be given that will apply to all cases. If the writer occupies a position of responsibility or if his suggestions have been definitely requested, obviously he will include definite recommendations in his report. He should confine himself, however, to recommendations which are based upon his facts; other recommendations, if given, belong in a separate message. Usually the recommendations should be divided and numbered for easy handling.

The following is a good example of a conclusion:

From the foregoing facts it is apparent that dealers are strongly averse to handling a large number of designs of hardware because of the amount of investment required and the danger

that some designs will lie on their shelves indefinitely. It is also evident that there is a marked preference for the simple designs, especially of the colonial type, as is shown by the comments of architects and the house-owners' investigation. These designs are also the ones which show greatest economy in manufacturing and therefore greatest profit. In two cases, as shown in Table III, the sale of an elaborate design has been made at an actual loss.

The following recommendations are therefore offered:

1. That the number of stock designs be reduced from seventeen to ten;
2. That the designs eliminated be those from Class B, which stood lowest in the Table of Preference (Table II);
3. That the designs retained be manufactured in a complete line;
4. That the eliminated designs be retained in the catalogue to be made up to order at prices that will yield a fair margin of profit.

It is confidently believed that if these recommendations are put into effect we shall be able to induce dealers to concentrate on our line, and that any slight loss of trade that may be due to the inability to supply unique and elaborate designs will be more than compensated by the manufacturing economies resulting from standardization.

Respectfully submitted,
JOSEPH DRAKE.

APPENDIX A

The Mechanical Make-up of a Letter

The Importance of Good Appearance

The mechanical make-up or display of a letter is not, strictly speaking, a part of the medium for conveying the message, and consideration of it has not been included in the body of this book. It is so closely related, however, to the subject of conveying the message that no writer can afford to neglect it. This appendix does not attempt to give an exhaustive treatise on the subject, but it does contain the most important points likely to be required by the average writer.

We have all been warned at various times not to judge by appearances, but no one can altogether avoid judging men or letters by appearances. However valuable a message a personal representative has to deliver, and however capable he is of delivering it, faults in his dress and appearance will militate against his success; correct appearance will aid him. The same is true of letters. And in both cases there are certain guiding principles which need to be observed.

The first requirement is absolute correctness. The mechanical make-up of a letter should conform to the usage of leading authorities. Styles change, to be sure, in letters as they do in other things, but they change slowly. New styles do not displace the old ones immediately; hence there are always alternative forms that are sanctioned by good usage from which the individual may choose.

Of two correct forms, he should ordinarily choose the more useful. It is correct, for example, to arrange the lines of the inside address in the form of an inverted pyramid, with the first line beginning at the margin, the second line five spaces in, the third line ten spaces in, and so on. It is also correct to block the inside address with all the lines beginning at the margin. This practice has a slight advantage in saving the time of the typist and hence is somewhat to be preferred.

If utility considerations do not determine the choice of alternative forms, the one that looks better should be preferred. The practice of beginning the complimentary close at the left-hand

margin has some utility advantages, although it has the disadvantage that few firms have adopted the form and hence it can hardly be said to be correct. Even if one were satisfied with its correctness, however, he could hardly fail to see that it gives the letter an unbalanced, unpleasant appearance.

The final consideration, which is only occasionally a factor, is that the make-up should be in line with modern tendencies. The modern tendency is to regard such endings as "I am" and "I remain" as nonessential and hence to omit them. It is well to be conservative in adopting new forms in mechanical make-up, but one may also be guided by Pope's maxim, "Be not the last to lay the old aside."

As space in this appendix is limited, only those forms are included which have been accepted as correct by leading business houses. In cases where there are alternatives, some suggestions are given regarding their relative beauty, utility, and progressiveness.

The Business Letter

The paper for an ordinary business letter should be unruled, 8½x11 inches, and preferably white in color. This fits the standard envelope, 6½x3⅝ inches. Bond papers are almost universally used. The quality should be as good as can be afforded, and certainly good enough to represent the character of the firm. For correspondence between departments within a business house, cheaper paper may be used. Often colored paper is preferred here in order to show from what department a letter comes or what subject is dealt with.

In some instances, the size, quality, and color of the paper may vary from these general standards because of the class of readers addressed. Here, as elsewhere, adaptation to the reader is an important principle. Letters to women, for example, may be on note-paper sized stationery, considerably smaller than the usual 8½x11 sheet. It should be of excellent quality. Colored paper of cheaper quality is sometimes used with less educated people, especially where the argument of the letter is one of economy.

The business letterhead gives the name of the firm, its address, the nature of the business, and sometimes the names of the officers. It may also contain the telephone number and other essential information. It should never contain unessential facts, since the heading is not the important part of the letter and should not be made obtrusive by colored pictures of the products

or buildings of the firm, and long lists of directors. The simpler the letterhead, the better chance has the message in the body of the letter to secure the undivided attention of the reader. It should not occupy more than one-fifth of the sheet and should not extend down the margins for advertising purposes.

Pictorial letterheads may be used for sales letters, provided the class of readers addressed is favorably disposed toward them. Most business houses, however, prefer for this purpose the four-page sheet, with the letter in dignified form on the first page, and the pictorial matter inside.

The head may be lithographed, engraved, or printed, and the color should usually be black. Other colors are sometimes effectively used, but black ink on white paper is the safe and correct form.

The Heading

When the heading is wholly typewritten or written by hand, it is placed close to the top of the first page of the letter and near the right-hand margin. The distance from top and margin depends on the length of the letter. A short letter centered on the page naturally has the heading lower and farther in than a long letter occupying the whole of the page. In no case should the heading be less than an inch from the top and three-quarters of an inch from the margin.

The heading contains the street address (or equivalent), the city address, the state address, and the date. The following forms are correct:

25 West Eighth St.,
New York City,
July 8, 1921.

[Or]

25 West Eighth St.,
New York City,
July 8, 1921.

If a printed letterhead is used, the written heading usually contains only the date. Sometimes the printed letterhead contains several city addresses; for example, New York, Chicago, Philadelphia, St. Louis, San Francisco. In this case it may be necessary to write also the city address of the branch office from which the letter is sent.

No word or sign should be placed before the street number.

Wrong: No. 33 Main St.,
Waterbury, Connecticut.

Numeric names of streets and avenues up to and including ten should be spelled out in full.

Wrong: 754 5th Avenue.
Right: 754 Fifth Avenue.

The date should consist of the month, the number of the day, and the number of the year. Do not use a number for the month and do not abbreviate the year.

Wrong: 8–5–'21.
8/5/'21.
Right: August 5, 1921.

In ordinary business letters the numbers and the date should not be written out in full.

Wrong: May fifth, Nineteen hundred and twenty.

In certain cases, however, such as official letters, the date is spelled out to secure a greater formality.

The number of the day should not be followed by *d*, *nd*, *rd*, *st*, or *th*, if it is used as a part of a complete date.

Incorrect: May 5th, 1920.
Correct: May 5, 1920.

The Inside Address

The name and address of the person or group to whom an ordinary business letter is directed are written below the heading and begin three-quarters of an inch or more from the left-hand edge of the paper. The distance below the heading depends on the length of the letter. A short letter, to be centered on the page, must have more space between the heading and the inside address than a long letter which occupies the full page. The first line always begins at the margin. The other lines may also begin at the margin (block form) or may be indented increasing amounts (pyramid form). Both the following arrangements are correct:

The Smith Hardware Company,
35 Broadway,
New York City.

[Or]

The Smith Hardware Company,
35 Broadway,
New York City.

The inside address includes the name of the individual or group, and usually the complete mailing address. The street address need not be given, but the usage is to include it.

In addressing an individual in a company, corporation, association, or other group, it is customary to write the individual's name on the first line, together with his official title, if any, and the name of the company or other group on the second line.

Right: Mr. Cyrus H. K. Curtis, President,
The Curtis Publishing Company,
Independence Square,
Philadelphia, Pa.

A title that consists of more than three words may be written on a separate line between the name of the individual and the name of the group.

Right: Professor James Melvin Lee,
Head of the Department of Journalism,
New York University,
New York City.

According to custom, some title precedes the name of the person or firm. The commonest titles are: *Mrs.*, *Miss*, *Mr.*, *Messrs.*, *Dr.*, *Hon.*, *Rev.*, *Prof.*

It should be noted that the title *Miss* is not now considered an abbreviated form and therefore is not followed by a period.

The title *Messrs.* (not *Messers.* or *Mess.*) is an abbreviation of *Messieurs* and is used in addressing a group of men, such as a professional firm or partnership of two or more individuals. It is not used in addressing a corporation or other organization that has an impersonal name. It may be omitted in addressing an ordinary mercantile partnership.

Right: Messrs. Meyer and Ayers,
Chicago, Illinois.

[Or]

Meyer and Ayers,
Chicago, Illinois.

Wrong: Messrs. U. S. Steel Corporation.
Right: The U. S. Steel Corporation.

Initials indicating degrees, societies, or other honors acquired by an individual may follow his name. Care should be taken to see that they are not used when they are suggested by the title of respect preceding his name. Similarly avoid using the initials of a succession of university degrees unless they are in different fields; use only the initials of the highest degree.

Wrong: Dr. Tasker Howard, M. D.
Right: Dr. Tasker Howard
Right: Tasker Howard, M. D.

Wrong: Prof. Lee Galloway, A. B., A. M., Ph. D.
Right: Prof. Lee Galloway, Ph. D.
But,
Right: Dean Joseph French Johnson, D. C. S., LL.D.

In addressing officials of governments and of churches, care should be taken to use the title of respect which custom has prescribed. Most of these titles should not be used with the last name alone, as *Rev.* Jones, *Reverend* Jones, *Honorable* Smith.

In official letters the inside address is placed in the lower left-hand part of the letter, slightly below the signature, but beginning at the left-hand margin.

The Salutation

The complimentary address at the beginning of a letter is called the salutation. In business letters it is practically limited to four forms: *Dear Sir*, *Gentlemen*, *Dear Madam*, and *Ladies* or *Mesdames*. *Dear Madam* is used in addressing a woman, whether married or unmarried. More formality is shown by the use of the salutation *My dear Sir* or *My dear Madam*. Note that the first letter of the second word is not a capital. In exceptional cases, as in writing to governmental officials, the plain and highly formal *Sir* is used. If the writer is personally acquainted with the addressee or has corresponded with him before, he may use *My dear* Mr. Fox or *Dear* Mr. Fox.

The salutation should be written directly below the inside address and the same distance from the edge of the paper as the first line of the inside address. It should always occupy a line by itself.

Brooks Brothers,
Madison Ave. and 44th St.,
New York City.

Gentlemen:

Never use the salutations *Dear Friend*, *My dear Friend*, and *Dear Miss*.

Dear Sirs is still used by some banking houses and other conservative institutions, but seems to be practically obsolete elsewhere.

In addressing such firms as *John Wanamaker* or *James Butler, Inc.*, the correct salutation is *Gentlemen* because these firms are

corporations. This is the correct form for any firm composed of men.

Never use a name alone as a salutation.

Wrong: Mr. John Heaton:
Will you let me know . . .
Right: My dear Mr. Heaton:
Will you let me know . . .

Avoid such abbreviated forms as *D'r, Gents, S'r.*

The salutation is followed by a colon or a comma; never by a semicolon. The dash is unnecessary.

In official letters the salutation is *Sir, Sirs,* or sometimes *Gentlemen.*

The Body of the Letter

Before the letter is typed the typist should estimate the amount of material it will contain and the space it will occupy. He should then plan to arrange it so that it will be centered a little above the mathematical center of the page. The margins of white space at the sides should never be less than three-quarters of an inch; they should be much wider if the letter is short. The white space above and below the letter should be greater than at the sides. At the left-hand side, the body of the letter should be in alignment with the beginning of the inside address and the salutation.

All paragraphs are to be indented an equal distance from the margin, say ten spaces or one inch, regardless of the length of the salutation. It is also wise to use double space between the paragraphs. Some firms use no indention but begin each paragraph flush with the margin. In this case paragraphs are indicated by double or triple spacing between the paragraphs. In the illustrations on pages 494 and 495 may be seen the correct forms of a typewritten letter.

If the letter is written in handwriting, the space between the paragraphs should be double that between other lines.

Only one side of the paper should be used, whether the letter is written in handwriting or typed. When more than one sheet is necessary to contain the message, plain sheets without the letterhead, but of the same size and material as the letterhead, should be used. At the top of these additional sheets is placed the number of the sheet and the initials or the name of the firm or person to whom the letter is sent, as

The Eastern Manufacturing Company 2.

O. S. CARRY, General Manager

K. & G. WIRELESS SUPPLY CO.
MANUFACTURERS OF
DEPENDABLE APPARATUS
150-152 CHAMBERS STREET · · NEW YORK CITY
TELEPHONE, BARCLAY 2262

November 18, 1920.

Montgomery & Smith,
415 North Perry Street,
Peoria, Illinois.

Gentlemen:

We thank you for your check for $49.50 offered us in payment of our invoice of November 1, 1920.

Upon comparing the amount of your check with the amount of our invoice, we find that you have deducted a discount of 1%. This deduction was probably caused by an oversight on the part of your bookkeeper, for our terms, as you know, are 1% discount for payment within 10 days. As payment was not made until the discount period had elapsed, we are unable to allow the discount of 1%.

The sum involved is insignificant and we should gladly charge it off to profit and loss were it not our policy to give each of our customers the same fair and square treatment. This treatment cannot be fair and square unless the billing terms are lived up to by everyone. Of course you understand that if we began making exceptions in the matter of discounts, the rule would soon break down entirely.

We know that when this matter is called to your attention you will see the fairness of our position. We are returning your check enclosed and ask that you send us your corrected check for $50 by return mail to cover this invoice.

Very truly yours,
K. & G. WIRELESS SUPPLY CO.
By O.S.Carry

Encl.
O.S.G. - C.F.

ARRANGEMENT OF BUSINESS LETTER (INDENTED FORM)

O. S. GARRY, General Manager

K. & G. WIRELESS SUPPLY CO.
MANUFACTURERS OF
DEPENDABLE APPARATUS
150-152 CHAMBERS STREET NEW YORK CITY
TELEPHONE, BARCLAY 2262

November 18, 1920.

Montgomery & Smith,
415 North Perry Street,
Peoria, Illinois.

Gentlemen:

We thank you for your check for $49.50 offered us in payment of our invoice of November 1, 1920.

Upon comparing the amount of your check with the amount of our invoice, we find that you have deducted a discount of 1%. This deduction was probably caused by an oversight on the part of your bookkeeper, for our terms, as you know, are 1% discount for payment within 10 days. As payment was not made until the discount period had elapsed, we are unable to allow the discount of 1%.

The sum involved is insignificant and we should gladly charge it off to profit and loss were it not our policy to give each of our customers the same fair and square treatment. This treatment cannot be fair and square unless the billing terms are lived up to by everyone. Of course you understand that if we began making exceptions in the matter of discounts, the rule would soon break down entirely.

We know that when this matter is called to your attention you will see the fairness of our position. We are returning your check enclosed and ask that you send us your corrected check for $50 by return mail to cover this invoice.

Very truly yours,
K. & G. WIRELESS SUPPLY CO.
By O. S. Garry

Encl.
O.S.G. - C.F.

ARRANGEMENT OF BUSINESS LETTER (BLOCK FORM)

If a second page is necessary, care should be taken to see that it contains at least three lines of the body of the letter.

The Complimentary Close

The complimentary close is placed two or three spaces below the body of the letter and usually begins midway between the right- and left-hand margins.

The following forms are most used in business letters: *Yours truly, Truly yours, Very truly yours, Yours very truly, Yours respectfully.*

Sometimes in place of *truly*, it is permissible to use *Cordially*, or *Sincerely*, though these should usually be reserved for cases where there is an established acquaintanceship between writer and reader.

Forms like *Yours for more business, Yours for a big year*, are incorrect and usually vulgar.

Do not use any abbreviation such as *Yrs* or *Resp'y* in the complimentary close. Do not write *respectively* for *respectfully*. Do not use *and oblige* in place of a complimentary close.

In the complimentary close only the first word should begin with a capital. The proper punctuation at the end is a comma.

Such expressions as *I am, Believe me*, and *I beg to remain* should not be used as a part of or a prelude to the complimentary close.

In official letters the complimentary close is *Respectfully, Respectfully submitted*, or *Yours respectfully.*

The innovation in writing the complimentary close at the left in alignment with the left-hand type margin has little to recommend it and does not seem likely to receive general adoption. The space there is necessary for other purposes.

The Signature

The signature contains everything necessary to fix responsibility for the letter. Sometimes it consists only of the name of the writer; sometimes it includes also the name of the firm or other group whom he represents and in whose interests he is writing.

The signature follows the complimentary close a little below and to the right so that it ends at the right-hand margin.

In letters from firms, the firm name should be typewritten and below it should come the written signature of the person directly responsible for the letter. If he is an official, his signature should be followed by his title, as *President, Secretary, Cashier,*

and the like. This title should be typewritten. If he is not an official, his signature may be preceded by the word *by*.

The signature of the writer, if a man, should not be preceded by any title, such as *Mr.*, *Prof.*, or *Dr.*

A married woman signs her full name (this includes her maiden name) and places immediately below, in parentheses, the name used in her mailing address.

Anna Templeton Parsons
(Mrs. Edward F. Parsons)

An unmarried woman signs her name with *Miss* in parentheses before it. The practice of omitting (Miss) seems to be growing in favor, doubtless on the assumption that it will be taken for granted if the name is feminine. Initials in such cases cause confusion.

If the writer's signature is not easily decipherable and if his name does not appear on the letterhead, it is wise to insure against misdirection by typing his name at the lower left-hand corner, together with the initials of the stenographer, as *R. C. Cholmondeley—H. W.* In other cases only his initials should be used, as *R. C. C.—H. W.*

A rubber-stamp signature is incorrect. All letters that are worthy of a reader's attention are worthy of the writer's personal attention to the extent of a pen-written signature.

Such expressions as *Dictated but signed in my absence*, *Dictated but not corrected after transcribed*, *Dictated but not read*, *Dictated but not signed*, etc., should never be used, for they are discourteous to the reader of the letter.

Miscellaneous Points

Unnecessary material outside the body of the letter should be avoided, as it is distracting to the reader. Facts that are useful to the writer only should be placed in the least conspicuous position, preferably the lower left-hand corner.

Inclosures should be indicated by the abbreviation *Incl.* placed next to the left-hand margin, below the initials of dictator and transcriber; *e.g.*, 3 *incls.*

Reference numbers for filing and other purposes may be placed above the body of the letter, just below the date; *e.g.*, *In replying, refer to A* 407.

The personal attention of a certain individual in a firm is secured to a matter of the firm's business by the expression *Attention of Mr. Blank* written in the center of the page. This

may be placed below the salutation or above the inside address. The former position is preferable. The salutation should agree, however, with the firm addressed; *e.g.*, *Gentlemen* rather than *Dear Sir*.

The postscript is sometimes added to business letters. The letters P. S., however, are no longer used to label it. Formerly the postscript was used to express some idea which had been forgotten. Now, whenever it is employed, it is for the purpose of emphasizing some important idea; for example, "Remember —in order to take advantage of this offer we must receive your post-card by April 24." Since it is prominent by its position, it should be used to contain an important idea and not simply the last thought of the writer.

In folding the letter, fold up the bottom edge until it is exactly even with the top edge or one-half inch from the top edge, and crease; then fold over from the right a little more than one-third of the letter and crease. The remainder of the letter is folded over from the left. The free edge of the letter is thus slightly separated from the right-hand crease. It should be placed in the envelope with the free edge toward yourself.

If the letter is to be inclosed in a window envelope (one with a transparent oval to obviate the necessity of writing the address twice), it must, of course, be folded so that the inside address will show through the "window" in proper position.

The Envelope

In business correspondence the envelope is usually of the standard size, $6\frac{1}{2}$x$3\frac{3}{8}$ inches. For long letters the No. 10 or legal size may be used. The return address of the sender should always be printed or written in the upper left-hand corner. It should not be large or conspicuous and should never be used for advertising purposes. In many cases, as in sales letters to women and professional classes, a return card or return address is printed on the flap of the envelope. This gives more of a social appearance to the letter and is of aid in getting better results from these classes. In such cases the size of the envelope used is that commonly called "Baronial," which measures about 4x5 inches. (The post-office authorities, however, disapprove of the back flap for the return card, and have taken steps to discourage the practice.)

The address should begin slightly below the middle of the envelope and should be well centered. Two forms are used, just as in the inside address.

The Smith Hardware Company,
35 Broadway,
New York City.

[Or]

The Smith Hardware Company,
35 Broadway,
New York City.

When the straight-edge or block form is used in the inside address this form should be used also on the envelope. The main thing to be considered is that the address should be well balanced.

The order of the address is usually as follows: first line, name of addressee; second line, street address or box number; third line, city or town, and state or country; or state or country may be placed on a fourth line.

The personal attention of a certain individual in a firm is secured to a matter of the firm's business by the expression (*Attention of Mr. Blank*) placed in the lower left-hand corner of the envelope.

Official Letters

Official letters are used in writing about matters that are outside the scope of regular business. Any letter that is written by or to an official, or to a business man on any other question than those which come up in the regular routine of business, may be considered an official letter.

The stationery used in these letters is different from that used for other business communications. As a rule, it is of folder form like social stationery, and may be smaller in size than the 8½x11 business sheet.

The printed material on the letterhead should be reduced to the minimum. Usually it contains only the name, official business, and address of the sender; sometimes only the address.

There are two classes of official letters, the formal and the informal. The formal letter is sent to government officials, members of Congress, and others in high position.

The mechanical form of the formal official letter differs from that of other business letters. The inside address is written at the close of the letter at the left-hand side. In it, all titles are given in full. No abbreviations should be used except initials of degrees, societies, etc., as *LL.D.*, *F. R. G. S.*

The salutation is *Sir* or *Sirs*. The complimentary close is *Respectfully* or *Very respectfully*.

In the body of the letter, the strictest formality is observed. No abbreviations or colloquial expressions are permissible. Very frequently the third person is used throughout in speaking of the writer. The language is stately, formal, and dignified to the point of coldness.

Informal official letters are used between business men who are on terms of familiarity with one another, about matters outside the routine of business. The very informal, conversational tone is desirable. The informal official letter has character, whereas the formal official letter is characterless.

As in the formal official letter, the inside address is at the lower left-hand corner of the sheet at the end of the letter.

The salutation is informal, as *Dear Johnston*, *Dear Mr. Johnston*, *Dear Fred*, or any other salutation the writer pleases to use. The complimentary close may be *Sincerely*, *Cordially*, or *Faithfully*, and others of like tenor.

APPENDIX B

The Legal Side of Letters

How Letters Are Affected by the Law

Everybody who writes letters in business should know enough about the law as it affects letters so that he can safeguard himself and his company in certain common situations. In writing credit letters in which he gives adverse information about the credit standing of a person or company, for example, the credit man must be careful not to leave himself open to an action for libel. In collection letters, the collection man must guard against making threats that constitute the crime of extortion. In writing general business letters, the writer should know how the law of contract affects them. Before using letters as testimonials the writer of sales letters should be sure that he has a right to publish them. These are only a few of the common situations constantly arising in business that require a writer of business letters to know the law in point, for ignorance of the law excuses no one.

The following discussion is intended to give you enough information about how letters are affected by the law, so that you will beware of the particular situation when it arises and can take steps to protect yourself from trouble.

Contracts Made by Letter

Many business men think of a "contract" only as being a legal document drawn up by lawyers and signed and sealed by the parties to the contract. They forget that it is "*an agreement* enforceable at law, made between two or more persons, by which rights are acquired by one or more to acts or forbearances on the part of the other or others."[1] Even though it is made by letters, it is usually just as binding as though drawn up by lawyers.

Since you will make many contracts by mail during your business life, you should know how the law of contract affects

[1] *Law of Contract*, by W. R. Anson.

letters. In order properly to safeguard your business interests, you should also know at what time and by what act the contract is completed.

When an individual makes an offer by letter, the contract is made the moment the person to whom the offer is sent mails back to him the letter of acceptance. For example: If *A* sends an offer by letter to *B* to sell a certain article for $100, and *B* accepts the offer, the contract is made the moment *B* mails his letter of acceptance; and *A* is bound to sell the article to *B*, although he may not know that he is bound until the letter of acceptance reaches him. (Adams *v.* Lindsell, 1 B & Ad. 681.)

In some states, notably Massachusetts, a contrary rule applies and the acceptance must be actually received by the offerer in order that a contract shall arise.

A may revoke his offer at any time before *B* has accepted it. But the notice of this withdrawal of the offer must reach *B* before *B's* letter of acceptance has been mailed. Thus, if *A* has sent an offer to *B* to sell him a certain article for fifty dollars and then changes his mind the next day and writes to *B* informing him of the withdrawl of the offer, the withdrawal of the offer to be effective must reach *B* before *B* has mailed his letter accepting the offer.

Even though the letter of acceptance is lost in the mails, there is a binding contract, nevertheless, since the contract was made the moment the letter was mailed. (Harris's Case, L. R. 7, ch. 587.)

The justice of these decisions is seen if one remembers that *A* by *mailing* his offer tacitly designates the post office as his agent and therefore at the moment *B* gives his letter of acceptance to *A's* agent (the post office) the contract is made. The letter of acceptance, however posted, must be properly addressed and stamped. (Blake *v.* Hamburg & Co., 67 Texas, 160.)

Under the above-mentioned circumstances the person making the offer would do well to specify in his offer that he will consider the offer revoked unless a reply is received within a certain time. He may go even further and stipulate that the acceptance shall not be effective until it is actually received. Or he may say that the offer is made subject to prior sale. These small precautions may save him much trouble and worry.

When an offer is made by mail, it remains open only for a reasonable length of time, and accordingly it is necessary that the receiver of the offer should accept promptly.

If *A* tells *B* by letter that he will receive and pay for certain

goods if *B* will send them to him, such an offer may be accepted by sending the goods.

It should be noted that catalogues, price lists, etc., are not offers of sale, but are mere statements of price. They are merely invitations to do business.

Since the contract is made at the moment the letter of acceptance is mailed, the law of the state or place where the letter of acceptance is mailed governs the contract. If, for example, a letter of offer is mailed from New York City and the letter of acceptance is mailed from Chicago, Illinois, the contract is governed by the laws of the State of Illinois.

Acceptance, by posting the letter, concludes the contract. Therefore a telegram, or any other method of communication, revoking the acceptance would be inoperative, though it reached the offeror before the letter of acceptance.

The acceptance must be unconditional; that is, the offeree must accept or reject the offer as made—*in toto*—or otherwise no contract is made.

In some instances the offeree may wish to accept, but desires that certain slight changes be made. In such cases, he may write: "I accept your offer. I should like, however, to have you give me 60 days' credit terms instead of 30 days." Such a statement constitutes an unconditional acceptance. The latter part of it is considered to be an inquiry. If the offeror, out of business courtesy, then desires to make the change in the terms he may do so.

In connection with the discussion on the value of the quality of clearness (Chapter II), it is interesting to note that the "words of a letter that forms a part of the contract are construed most strongly against the party who wrote it. The justness of this rule of law is based on the principle that a man is responsible for ambiguities in his own expression, and has no right to induce another to contract with him on the supposition that his words mean one thing, while he hopes the court will adopt a construction by which they would mean another thing, more to his advantage."[1]

Stoppage in Transitu

It sometimes happens that the seller, after having shipped the goods to a buyer, learns that the latter is insolvent. Acting upon such information, the seller may notify the carrier (the railroad, express company, or other transit agent) in whose hands

[1] *Law of Contract*, by W. R. Anson.

the goods are, not to deliver them to the buyer, but to hold them subject to the seller's orders. The seller's right to take this action is called *stoppage in transitu.* Before exercising this right the seller should be sure that the buyer is insolvent at the time he stops the delivery of the goods. If it turns out that the seller was incorrectly informed, he renders himself liable for any damage that the buyer may sustain as the result of the stoppage.

How the Law Affects Collection Letters

In some states certain types of "dunning" notices on postal cards are held to be libelous. Some states also hold that printed statements appearing on envelopes to some such effect as: "From the Blank Collection Agency. Collections from Obstinate Debtors a Specialty," are libelous. It is recommended that the collection correspondent study carefully the laws of his state as they concern libel. He should also read Section 212 of the United States Criminal Code, which pertains to the same subject.

In writing the so-called threat letters, the collection correspondent should be particularly careful that he is not violating the United States Criminal Code (Section 145) as it relates to extortion or "blackmail." The section referred to reads as follows: "Whoever shall, under a threat of informing, or as a consideration for not informing, against any violation of any law of the United States, demand or receive any money or other valuable thing, shall be fined not more than two thousand dollars, or imprisoned not more than one year, or both."

Consider the following illustration: A customer bought an article by mail, but has not paid for it, despite the many collection letters that have been sent to him. The collection correspondent writes him a letter in which he threatens to bring the matter to the attention of the Federal authorities, on the ground that the customer has used the mails to defraud, unless the customer pays the bill. Such a threat might hold the correspondent open to a criminal prosecution on the charge of extortion.

A threat to bring an action for debt against a customer unless he pays his bill is not extortion, because such an action is a *civil* action, not a *criminal* action.

How the Law Affects Credit Letters

When a credit man finds that he must make an unfavorable report to an inquirer concerning the credit standing of a person

or firm, he is often afraid to express himself freely for fear that such a letter may be made the grounds of an action for libel. Perhaps, indeed, the head of his company has warned him to be very careful in writing such letters.

The credit man should be careful, of course, in securing his information and in reporting it—out of fairness to the party on whom he is reporting. Yet if his fear of an action for libel is too great, he is likely, because of overcaution, to write letters that tell the inquirer little, if anything. In order that the credit man may feel some assurance in knowing how such unfavorable credit reports are viewed by the law, a few essential and pertinent facts in regard to law of libel are presented in the following paragraphs.

In order that you may see how the law of libel applies to credit letters, it will be well first to give a definition of libel. The New York Penal Code (Section 242) defines libel as: "A malicious publication, by writing, printing, picture, effigy, sign or otherwise than by mere speech, which exposes any living person, or the memory of any person deceased, to hatred, contempt, ridicule or obloquy, or which causes, or tends to cause, any person to be shunned or avoided, or which has a tendency to injure any person, corporation or association of persons, in his or their business or occupation, is a libel."

The definition given above is generally followed by other states.

It appears, therefore, that a letter that gives an unfavorable report of the credit standing or character of a person or concern has the three elements of libel, for such a letter (a) *defames* the person or concern under investigation and tends to injure him in his vocation; (2) it is *published*, because the defamatory matter is made known to a third person—the one who received the answer to the inquiry; and (3) the written words are prejudicial, in a pecuniary sense, to a person engaged in a profession or trade as a livelihood. The damage need not be alleged or proved in such an instance.

Such letters, therefore, may constitute grounds for a libel suit. If the case comes into court, however, the credit man who wrote the unfavorable report has two defenses—truth, and qualified privilege.

The plaintiff (the person or concern bringing the action alleging damages to itself because of the defamatory matter written by the defendant) will fail in his cause in *civil* actions if the defendant alleges and proves that the defamatory matter was true. Such a condition of affairs obtains because "the

law will not permit a man to recover damages in respect of any inquiry to a character which he either does not or ought not to possess." (Littledale, J., 10 B. & C., 272.) When the defendant can prove the truth of his statement, the motive of publication is immaterial. That is a good reason why the credit man should assure himself of the accuracy of the information upon which he bases his statement.

The second defense that may be set up in a case of libel would be that of *qualified privilege*, which may be urged by the defendant to relieve him of all legal liability for statements, spoken or written, defamatory of the plaintiff. Such a privilege is given in certain cases because public policy and the interests of society require that certain persons upon proper occasions shall speak freely and without fear of exposure to vexatious actions.

"There is an important class of cases in which a middle course is taken between the common rule of unqualified responsibility for one's statements, and the exception rules which give . . . absolute protection to the kinds of statements covered by them. In many relations of life the law deems it politic and necessary to protect the honest expression of opinion concerning the character and merits of persons, to the extent appropriate to the nature of the occasion, but does not deem it necessary to prevent the person affected from showing, if he can, that an unfavorable opinion expressed concerning him is not honest. Occasions of this kind are said to be privileged, and communications made in pursuance of the duty or right incident to them are said to be privileged by the occasion. The term, 'qualified privilege,' is often used to mark the requirement of good faith in such cases, in contrast to the cases of 'absolute privilege.'" (Pollock on Torts, 7th Edition, 259.)

"In one (referring to the *qualified* class) the party is protected from civil or criminal responsibility for his statements, whether spoken or written, although untrue, unless he is proved to have been actuated by a malicious design in making them. To this class of cases belong complaints preferred in the proper quarter against public officers; statements in regard to the character of a servant, given by a master upon inquiry; *confidential communications upon matters of business, between parties having a mutual interest;*[1] statements made in the discharge of a public or official duty; and other publications of a similar nature. The occasion of the speech or writing, and the position of the person by whom it is uttered, in these instances repel the presumption

[1] The italicizing on this page is mine.—EDITOR.

or inference of malice which the law justly and wisely attaches to a false and injurious accusation where it is gratuitously made. But the party injured may nevertheless prove, if he is able to do so, that the charge which has been published, even upon such an occasion, was not only false in fact, but malicious in motive. If he can establish express malice he may recover, as in other cases, notwithstanding the conditional privilege." (Perkins *v.* Mitchell, 31 Barb., 461, 467.)

"A communication made *bona fide* upon any subject-matter in which the party communicating has an *interest*, or in reference to which he has a *duty*, is privileged if made to a person having a corresponding *interest* or *duty*, although it contained criminating matter which, without this privilege, would be slanderous and actionable; and this, though the duty be not a legal one, but only a moral or social duty of imperfect obligation." [Harrison *v.* Bush, 5 Ellis & Black (Q. B.), 344].

The credit man should especially note the rulings of the qualified privilege that letters giving unfavorable credit information have. It is apparent that if the credit man gave only those facts that he could prove to be true, he would be so handicapped in making his statements that his letters would not give the inquirer satisfactory information. But because of the qualified privilege attached to such communications, he need not fear to express freely his opinion of the credit standing or character of the person or concern inquired about.

In making unfavorable reports, credit men commonly protect both themselves and the person or concern on whose standing they are reporting by not using full names. This method is employed so that, even though the letter should be read by a person who had no right to see it, no damage will be done. For example: Instead of writing, "We are sorry to inform you that the information in our files concerning Henry R. Blank and Sons, of Toledo, Ohio, is . . ." and then go on and give an unfavorable report on the concern—instead of doing that, the credit men may use initials, as follows: "We are sorry to inform you that the information in our files concerning H. R. B. & S., of Toledo, Ohio . . ." Many credit men use this form: "In reply to your inquiry of March 25 regarding the company named therein, we are glad to give you the following information. . . ."

False Statements

For protection's sake, the credit man should make himself acquainted with the various state laws that make a crime the

issuance of false statements for the purpose of obtaining credit. In addition, he should know that there is a Federal law[1] under which debtors who have secured merchandise on credit by false financial statements sent through the mails may be successfully prosecuted. To secure a conviction, it will be necessary to prove not only that the debtor issued in writing a false statement on which merchandise was given him on credit, but also that the statement was sent through the mails. As a protection, therefore, the credit man on receiving a statement through the mails should attach the envelope to the statemeant and keep both in his files.

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[1] U. S. Crim. Code, Sec. 215:

"Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations or promises—shall, for the purpose of executing such scheme or artifice or intention so to do, place or cause to be placed, any letter, postal card, package, writing, circular pamphlet or advertisement, whether addressed to any person within or outside the United States, in any post office, or station thereof, or street or other letter box of the United States, or authorized depository for mail matter, to be sent or delivered by the post office establishments of the United States, or shall take or receive any such therefrom, whether mailed within or without the United States, or shall knowingly cause to be delivered, by mail according to the direction thereon, or at the place at which it is directed to be delivered by the person to whom it is addressed, any such letter, postal card, package, writing, circular pamphlet or advertisements, shall be fined not more than the $1,000, or imprisoned not more than five years, or both."

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